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THE SOCIAL PLANNING
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TORONTO

LOSING A HOME

EXPERIENCES UNDER ONTARIO'S RENTAL HOUSING PROTECTION ACT

PROPERTY OF CITY OF SCARBOROUGH

RESOURCE CENTRE

Final Report

LOSING A HOME:
EXPERIENCES UNDER ONTARIO'S
RENTAL HOUSING PROTECTION ACT

prepared for the

FEDERATION OF METRO TENANTS' ASSOCIATIONS (FMTA)

the

FEDERATION OF OTTAWA-CARLETON TENANTS' ASSOCIATIONS

and the

ONTARIO MINISTRY OF HOUSING

July 29, 1988

by

THE SOCIAL PLANNING COUNCIL OF METROPOLITAN TORONTO

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PROLOGUE AND ACKNOWLEDGEMENTS

The Federation of Metro Tenants' Associations (FMTA) has maintained a watching brief on the Ontario Ministry of Housing's Bill 11, more appropriately referred to as the Rental Housing Protection Act, 1986 (RHPA), since it was enacted. Concern over the future direction of provincial policy vis-a-vis protection of the existing rental housing stock, especially that portion of the stock dubbed "affordable," mounted with the approach of the June 30, 1988, "sunset" date on which the RHPA would expire. In late March 1988 it was learned that the Minister of Housing intended to ask the Ontario government to extend the RHPA for 12 months and that she intended to release a discussion paper, the response to which would form the basis for new government policies to be announced in the fall of 1988 and intended to be in place well before the next scheduled expiry of the RHPA in June 1989.

The FMTA was concerned that limited resources, already stretched, would prevent it, as well as tenants and tenants' organizations, from full and effective participation in the process of formulating new government legislation that would express that policy. Moreover, it wanted to participate more fully than simply presenting a brief to government or to legislative committee. It wanted to be able to participate constructively with the benefit of full knowledge of experience under the RHPA and the wants and needs of tenants with respect to protecting the rental housing stock. The FMTA therefore requested that the Minister of Housing provide funds to assist its full participation. She agreed to meet their request.

The FMTA approached the Social Planning Council (SPC) to undertake a program of research to provide a basis for its participation. After considering the invitation the Council agreed that it would be prepared to undertake research on behalf of the FMTA. A detailed proposal was submitted in mid-April 1988. The FMTA was then joined by the Federation of Ottawa-Carleton Tenants' Associations (FOCTA) in undertaking the proposed research program.

It was agreed by the two Federations, the Council and the Ministry of Housing that the research program should form the basis for a research contract between the Ministry and the Council. The Council and its staff would be responsible for carrying out the program proposed to the Federations. The Federations would direct the research according to the program proposed and agreed to by the Ministry. Contractual arrangements were finalized in early June 1988.

The report is the product of a very intensive research effort over less than two months. We are indebted to the two tenant federations and their staff and the Ministry of Housing and its staff for full support that made it possible to complete the assignment close to the deadlines agreed upon by the parties. The federations' staff, Dan McIntyre (FOCTA) and Bill Morris and Bill Robinson (FMTA) were especially helpful with administrative tasks and for imparting portions of their vast knowledge and contacts. Kenn Hale, chairperson of the FMTA's Law Reform Committee, and Michael Melling, chairperson of the FMTA, met frequently with the researchers and were available by telephone.

Staff at the Ministry of Housing, notably Joel Abelson, Susan Taylor and Christopher Thompson, were freely available to us and complied with our wishes and requests for information. Planning and housing officials in the City of Toronto and the five other area municipalities that comprise the Municipality of Metropolitan Toronto, in Ottawa and in Hamilton were especially helpful.

Most of all, however, we express our thanks to numerous citizens, many of them the subjects of our research, for their full co-operation and participation.

Finally, I would like to thank the staff of the Council, Andy Mitchell, David Thornley and Barbara Woolley. Mitchell Beer and Infolink Consultants in Ottawa and Don Jaffray and the Social Planning and Research Council in Hamilton collaborated in their cities. In Toronto, Stephanie Crawford cheerfully led a team of interviewers and turned detective to track tenants, many of whom had been displaced from the last addresses available to us as much as two or three years ago.

Jeffrey Patterson
for the
Social Planning Council
of Metropolitan Toronto

INTRODUCTION

The Rental Housing Protection Act (hereinafter the RHPA) was introduced into the Ontario Legislative Assembly by the Hon. Alvin Curling on May 5, and enacted on July 10, 1986, in response to a growing shortage of affordable rental housing and the belief that affordable rental stock was being lost to condominium conversions, conversions to other uses, demolition and luxury renovations at a faster pace than it was being created. This new legislation was added to the list of policies and programs that comprised the provincial government's Assured Housing Program, first announced in December 1985. Viewed at the time as emergency legislation intruding upon the property rights of rental landlords and the planning prerogatives of municipalities, the Act therefore contained a "sunset clause" triggering its expiration on June 30, 1988, approximately two years from the date of enactment. The Minister promised to study the need for more permanent legislation and programs to protect the rental housing stock and the interests of tenants living in affordable housing.

In April 1988 the current provincial Minister of Housing, Chaviva Hošek, tabled legislation extending the RHPA by one year to June 30, 1989. She simultaneously tabled a discussion paper, Rental Housing Protection Act: Future Directions. The Minister requested that interested individuals and organizations submit their views for consideration as the government considered what future actions to propose in the fall of 1988. This report is intended to address the options for future policies in the area of rental housing protection and the protection of tenants rights and security of tenure where they are threatened by loss of rental housing stock.

The Minister's discussion paper outlines two basic alternatives: 1) repeal of the Act with alternative government measures; and 2) modification of the Act -- continuation with changes. Should the RHPA be repealed, measures outlined for consideration include: 1) permissable conversion with security of tenure, 2) programs encouraging retention of existing affordable rental stock, and 3) programs to encourage the private sector to participate in the production of new rental residential accommodation. Changes being considered should the option to modify the Act be chosen include 1) permitting municipalities to adopt conservation controls by local option, similar to new condominium conversion controls enacted for the Province of Quebec outside the Montreal Urban Community in 1987, 2) modifying the scope of the RHPA, including building size, type and status, and the range of development controls, 3) changing the criteria to be considered by local councils in considering applications under the RHPA, 4) varying the appeal process under the RHPA, and 5) reviewing the condominium conversion approval process. It is assumed that any other relevant matters could be considered when the RHPA is reviewed by the government.

The original opponents of this study on the FMTA and the FOCTA, and the area of geographic interest of the study is therefore rental properties and municipalities in the Municipality of Metropolitan Toronto and the Regional Municipality of Ottawa-Carleton. The Regional Municipality of Hamilton-Wentworth was added to the study to give it greater geographical coverage. Applications in the study areas outside Metropolitan Toronto are limited to the cities of Hamilton and Ottawa. Within Metropolitan Toronto no applications have been received or approved in the City of Scarborough or the Borough of East York. We thus review applications in six (6) municipalities. The study area, however, includes eight (8) municipalities: the six area municipalities of Metropolitan Toronto, and the Cities of Hamilton and Ottawa.

EXECUTIVE SUMMARY

1. This is a study of efforts to stop the erosion in the supply of affordable housing, and of the experience administrating of the Rental Housing Protection Act (RHPA). It also looks at the experiences of tenants who may be facing dislocation as a result of conversion in the tenure or use of their buildings, demolition or renovation and repair requiring vacant possession, as well as tenants who were recently displaced by these and similar events. This study concerns the situation in the six area municipalities that comprise the Municipality of Metropolitan Toronto and in the Regional Municipalities of Ottawa-Carleton and Hamilton-Wentworth. Trends in the supply and affordability of the rental housing stock, both before and since the enactment of the RHPA, are reviewed. The administration of the RHPA, its use and its effect on the rental housing stock in the six municipalities in which applications have been made and approved is summarized and analyzed. The results of interviews with tenants facing displacement and tenants already displaced by activities covered by the RHPA, including the impact of moving and tenant preferences with respect to tenure -- to continue to rent or to become home or condominium purchasers -- are reported. Finally, legislation and policy and the background to it in other North American jurisdictions is summarized. This study is intended as input into the Government of Ontario's review of future options upon the scheduled expiry of the RHPA in June 1989.

Trends in Housing Supply Prior to the Rental RHPA

2. The demand for legislation to protect the rental housing stock gained momentum during the late 1970s and early 1980s when, not only was there widespread eviction of tenants for conversion of rental buildings to condominiums, "equity co-operatives", and apartment hotels, for demolition of rental buildings and for vacant possession for "luxury" renovations, but the perception by provincial and municipal officials that the rental housing stock, especially affordable rental stock, was being lost much more rapidly than it was being created by new construction and that these events were

causing hardship for countless numbers of tenants.

3. Until 1986 the demand by municipal officials, tenants and tenant organizations for legislation to assist them in stemming the tide was met by piecemeal action at the provincial level: special legislation to slow demolitions; and amendments to the Landlord and Tenant Act to stop shareholders from occupying apartments connected to shares in newly-created "equity co-operative" buildings. Some municipalities also used their planning powers to limit the conversion of rental buildings to condominiums. The RHPA represents the first concerted approach to the perceived problem.

4. Shifts in the supply of rental housing up to 1985 have been reasonably well documented by the City of Toronto Department of Planning and Development. At least 9,000 rental units were lost as a result of conversion to condominium, apartment hotels and "equity co-operatives", demolition and "luxury" renovations from the late 1970s to 1985. In the same period a similar number were lost as a result of the deconversion of owner-tenant occupied properties to solely owner occupied ones. Less complete information for other municipalities in the study suggests that the same trends obtained, but not quite so extensively.

Shifts in the Supply of Rental Housing, 1985-1988

5. Information available for the period 1985-1988 for Metropolitan Toronto suggests that the losses of rental housing stock have moderated somewhat, certainly in part as a result of the RHPA and the discouragement of activities covered by it, and that large numbers of condominium units have been built and that large proportions of these units are used as rental properties. These additions have added very few net new rental units as a result of continued deconversion of owner-tenant properties and declines in the numbers of single houses occupied by renters. More recent information was not available for the Regional Municipalities of Ottawa-Carleton and Hamilton-Wentworth at the writing of this report. Large numbers of units in "plexes" (2-4 units) were lost to demolitions and alterations in the 1985-

1988 period.

Trends in the Affordability of Rental Housing

6. Rental market surveys by the Canada Mortgage and Housing Corporation (CMHC) show very significant declines in rental housing affordability in all three market areas included in the study for the period 1981 - 1985 with a moderation in the 1985 - 1987 period. Rent and income information confirm an increase in affordability problems through the mid-1980s. The proportion of tenants paying 30 per cent or more of their income for rent increased from an average of 28 per cent in 1980 to over 31 per cent in 1985. The proportion of tenants paying under 25 per cent of their income for rent declined.

RHPA Applications

7. The six municipalities with RHPA applications had as of June 1988 approved applications resulting in the loss of 398 units, but had produced a net gain of 40 units, primarily as a result of redevelopment. However, applications representing a loss of 162 units were either withdrawn or declared to be exempt from the RHPA, usually by reason of vacant possession, which exempts buildings from the RHPA. Applications representing a further 745 units, almost all for conversion to condominium, were in various stages of appeal to either the Ontario Municipal Board (OMB) or Cabinet. Total applications received could eventually see a loss of 1,745 rental units.

8. Local planning officials have on the whole done a competent job of administering the RHPA and the mandatory criteria that must be satisfied before local councils shall approve an application. One local council in this study, however, appears to continue to treat the mandatory criteria as optional criteria, to be balanced against planning objectives. Two others seem prone to approve small applications. One of our major conclusions is the need for greater uniformity of application.

9. On reviewing the mandatory criteria for application approval and their use, we concluded that they were on the whole not being misused. While there is considerable potential for the misuse of criterion 3 -- that the application should not have an adverse effect on the supply of affordable housing -- it had not on the whole been over-used except perhaps in the case of small applications. There is an increasing tendency to rely on landlord/developer assurances under criterion 2 -- the supply of replacement housing in the same area and at similar rents, but it is concluded that tighter administration of such assurances is required in the interests of tenants. We concluded that there was an almost universal tendency to neglect the issue of interim housing where it is proposed that tenants return to new units on demolition sites.

Effects of Displacement on Tenants and Tenant Preferences

10. A total of 178 individual tenants were interviewed, 123 facing displacement and 55 already displaced by conversions, demolitions and renovations and repairs approved under the RHPA or similar activities. The following are some of the more significant findings from those interviews:

- 37 per cent of tenants were aware of previous occasions when tenants had faced displacement as a result of landlord plans for the building;
- 30 per cent of the tenants facing displacement and 31 per cent of those already displaced resulted from unsanctioned RHPA-type activities, and one-half of these involved conversion to apartment hotels or what is believed to be other illegal activity;
- over 40 per cent of tenants indicated that maintenance had declined during their tenure;
- 75 per cent of tenants had lived in their units over 3 years;
- the option most preferred by tenants (77 per cent) is the purchase of their building by a non-profit company;
- 74 per cent would be willing to live in their unit as renters under rent review and with long-term leases if the building were converted to condominium tenure;

- 20 per cent would consider purchasing their unit if their building were converted to condominium, and 12 per cent would consider doing so if the price were right;
- 20 per cent of tenants facing displacement indicated that they plan to eventually become home owners, 12 per cent in the case of those with household incomes under $40,000 and 31 per cent for those with household incomes of $40,000 and over;
- 7 per cent of those facing displacement plan to become home or condominium buyers immediately upon displacement;
- average rent increases for displaced tenants were 37 per cent, 43 per cent for those renting in the private market and a decrease of six per cent for those moving into non-profit or co-operative housing;
- tenants facing displacement indicated that they anticipated having to pay 20 per cent more rent, although they also anticipated better living conditions;
- 78 per cent of tenants intending to continue renting indicated that they could not afford to purchase; and
- 56 per cent of displaced tenants indicated that increased rent and associated budgetary problems had proved stressful, while reduced contact with friends was the second most common source of stress (36 per cent).

11. Focus groups were held in two buildings in Metropolitan Toronto, a Toronto complex scheduled to be demolished, but where the landlord has agreed to rehouse the tenants at similar rents, and condominium complex in Scarborough that has been 100 per cent rental where tenants have recently received notices that the landlord intends to market the units. The tenants in both locations volunteered that tenants have far too little knowledge of their rights as tenants and that far too little is done to protect tenant rights. Tenants in the Toronto complex recited a long litany of previous suspect actions by their landlord, including misleading rent increase applications and illegal rent increases, and they were not as a result confident that the provision of replacement housing would materialize.

12. Interviews with 23 tenants were conducted as case studies.

Lessons from Other Jurisdictions

13. The study team found changes made in the similar Quebec legislation in 1987 to be particularly instructive for future actions in Ontario. There the practice of vacancy decontrol was eliminated; special staff to address landlord harassment were put in place; tenants were given increased control over optional renovation beyond by-law standards in their apartments; and tenants were assured first option in the purchase of units approved for conversion.

14. Events in Nova Scotia demonstrate that the demand for condominium conversion can be stemmed by adequate numbers of new units.

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

The purposes of rental housing protection are threefold: 1) to protect the rental housing stock itself; (2) to protect the interests of tenants who may reside in protected housing; and 3) to extend security of tenure to extraordinary instances in which tenants may be vulnerable under the *Landlord and Tenant Act* (hereinafter the *LTA*).

We arrived at two major conclusions in carrying out the proposed research program. First, while the *RHPA*, now scheduled to expire in June 1989, covers many of the areas in which tenants are vulnerable, it has not done so uniformly. Administration and control by local councils, combined with the absence of adequate provincial guidance on many essential matters, particularly the fact that mandatory provincial criteria have been subjected to varying interpretation by local councils, have contributed to vastly differing protection for the province's tenants. Regardless of the specific measures taken in the future, it is essential that the province's tenants receive nearly equal treatment.

We recognize clearly that there is consider-able tension between the principles of equal treatment of tenants and their tenancies across the province and of local autonomy in planning and land use matters. Where there is conflict between these principles, however, we recommend that the rights of tenants prevail. We derived this conclusion as well from the fact that landlord and tenant law and the precedents that have been made under it are province-wide in nature. There would otherwise be no rationale for enacting the *RHPA*. This recommendation is also consistent with amendments to the Planning Act introduced into the legislature in April 1988 and the simultaneous announcement that the Minister of Municipal Affairs intends to table regulations to the Planning Act in the near future to give expression to the provincial interest in affordable housing that shall guide municipal councils as they deliberate planning and land use matters in the future.

Our second major conclusion, although it was unanticipated and not central to the study as proposed, is the need to more adequately enforce the rights of tenants. When questioned, tenants subjectively felt that their interests were not being adequately addressed, especially in the context of the bundle of rights which landlords possess or are perceived to possess.

More objectively, we interviewed tenants whose rights had been violated and who had received unauthorized notices of eviction. Several of these instances are summarized amongst the case studies. In many more instances tenants who had received such notices had already vacated their premises and were not available for interviews, except for the five to ten per cent whom we were able to trace to new addresses in the time available for this study. In most of these instances tenants seem simply not to be aware of their rights.

The RHPA is but one instrument in the provincial government's policies and programs designed to assure the preservation of and supply of additional affordable housing. Its objectives include the protection of the rental housing stock where it is threatened with demolition and conversion to another use or tenure. It cannot by itself assure that there is an adequate supply of affordable housing. The rent review program and the various supply programs, including assistance in the creation of rental housing (non-profit and co-operative), housing rehabilitation assistance, assistance for adding units or converting to residential use and home-sharing programs, are the Ontario Ministry of Housing's primary programs to assure the availability of housing for those who need it. It is essential that any policy to assure the continued availability of affordable housing be assisted by, and be implemented as part of, a co-ordinated package with other housing programs. That is, a policy of preserving and protecting the existing rental housing stock will only work - will certainly work best - if the other components are operating as well and if the various components are compatible.

In addition to conclusions with respect to the rental housing protection objectives and their implementation by the provincial government, the conclusions and recommendations herein are made in the context of these other programs and policies as well. For instance, it is essential that those programs designed to assure the preventative maintenance of the rental housing stock, including local by-law enforcement and the Residential Rental Standards Board, be fully operational.

A. CHANGES IN THE RENTAL HOUSING PROTECTION ACT

1. Mandatory Criteria

Currently a municipal council can approve an application to allow an activity which is restricted by the RHPA if the application meets at least one of the following criteria:

1. in the case of a demolition or renovation, council may approve if the building is found to be unsafe and unfit for human habitation and will continue to be so if the proposed renovations are not carried out; or
2. where the proponent has provided satisfactory accommodation for the current tenants and has provided comparable rental housing at the same price in the same area; or
3. where, in council's opinion, the proposal does not adversely affect the supply of affordable rental housing in the municipality.

We have reviewed recommendations of planners to local Councils, the rationale for these recommendations and the subsequent council decisions, as well as any conditions imposed on the proponent, and we have reviewed most of the applications with representatives of the local non-government community. The following conclusions and recommendations stem from these reviews, as well as from interviews with tenants.

These conclusions are with respect to the criteria only and not necessarily their application by local or provincial officials or local councils. Conclusions and recommendations with respect to the application of the criteria follow in subsection 7, "Administration", below.

a) Unsafe and Unfit for Human Habitation (Criterion 1)

This criterion and its application stand on their own, although at least a small amount of ambiguity stems from lack of definition and from lack of specification of what or whose standards are to be applied. Some observers have indicated a need to define carefully when a building is both "unfit and unsafe for human habitation". While a building that is deficient in many respects is an unpleasant place in which to live, there is a vast difference between a building with even numerous deficiencies and one that is "unfit and unsafe for human habitation".

The lack of precise definition, however, is not the biggest difficulty with criterion 1. In more than one case it appeared that the local councils made their decision to permit the renovation of buildings following declaration by proponents or their engineering consultants. Whatever standards are developed should certainly be applied by public officials, and it is the local officials to whom municipal councils must look for primary advice.

Another difficulty presented by criterion 1 is how and why in a municipality with property standards by-laws, buildings would have been allowed to deteriorate to such an extent in any event. In several instances it was reported that proponents had allowed their buildings to deteriorate so that their buildings would qualify for exemption from the RHPA by reason of being unsafe and unfit for human habitation. Again, enforcement should presumably prevent such occurrences. This problem points to the need for increased enforcement of property standards by-laws, as well as increased diligence on the part of the provincial Residential Rental Standards Board.

b) Comparable Rental Housing at the Same Price in the Same Area (Criterion 2)

This criterion can likewise stand on its own. It too lacks specificity and we recommend that the terms employed be defined. The City of Toronto defines the "same price" as being not more than 10 per cent greater than rents in the pre-displacement building, and we would recommend such a guideline. The Ministry of Housing's Rental Housing Protection Branch appears to have informally adopted this standard.

Although increased use is being made of this criterion, these have been based on proposals to house displaced tenants in similar units in the same area at the same or similar rent. Aside from the obvious difficulty that the criterion is a hard one to fulfill in most Ontario markets, it raises in the context of the third criterion, which has been much easier to justify, the problem of priority or ranking of the criteria.

Criterion 2 will usually be more difficult to meet, as it imposes very strict standards for both the period during which tenants are displaced, and requires relocation in similar rental housing in the area at similar rent levels, as well as the provision of similar numbers of units. If criteria 2 and 3 are to stand equally, then it is hard to imagine that applicants would resort to criterion 2 very often. The Act should be amended to make it clear that criterion 2 has priority and that, failing compliance with it, criterion 3 will be interpreted very strictly. In this regard, criterion 3 should be re-worded to make it more strict.

Our review of RHPA applications concluded that there seemed to be an increasing tendency to more strictly apply criterion 3 and to subsequently rely on landlord assurances under criterion 2 regarding the provision of replacement housing in recommending and granting approvals. Several municipal officials were in fact positive about concessions and assurances from landlords that would never have been achieved in the absence of the RHPA.

On the other hand, the nature and realization of such assurances need to be adequately enforced. The certificates required under the RHPA before eviction notices and demolition permits are authorized may be issued prematurely.

As well, we found instances in which approvals were granted following landlord assurances that tenants could be rehoused in similar units on the same site or in the same area, but that there was absolutely no consideration of interim housing for tenants. We find this unacceptable. It should be made clear that the provincial interest lies in short-term housing as well to maintain security of tenure during this period of disruption.

c) Adverse Effect on the Supply of Affordable Housing (Criterion 3)

Most of the approvals in the six municipalities studied were based on the conclusion that the proposal would not adversely affect the supply of affordable housing.

Prior to the enactment of the RHPA, seven of the eight municipalities subject to this review had adopted standards - albeit non-mandatory - prescribing rent levels for "affordable" housing in connection with proposals for conversion of existing rental stock to condominium tenure. Average rent levels in the CMHC rental market survey or $750, the monthly rent level at which rental units ceased to be subjected to rent review prior to 1985, were usually the levels specified. It was only with the Ontario Municipal Board (OMB) decision with respect to Park Towers (400 Walmer Road in the City of York) that the OMB operationalized a definition of the term "affordable," which also included apartments generally lived in by households of middle income. That OMB decision has generally been well received.

On the other hand, the Ontario Municipal Board has also made two other decisions that point towards permitting approvals for small projects regardless of their rent levels. In its decision confirming Etobicoke Council's approval of the application for demolition at 12-16 Humber Boulevard, the OMB indicated that the loss of 31 units with rents ranging from $371 - $936 would not affect the supply of affordable housing because the number of units was small. CMHC's bi-annual vacancy survey showed a total of eight vacant units at all rent levels in the City of Etobicoke at the time that the Etobicoke Council made its initial decision. In an Ottawa decision the OMB confirmed that the loss of a 13 unit rooming house near

Ottawa University would not adversely affect the supply of affordable housing.

We would recommend further specification of all of the terms in criterion 3 except that there is some controversy that it should even be continued at all. We support placing this criterion behind the second one. In placing it behind criterion 2 one would envisage that even when it was concluded that approval of an application did not have a potential adverse impact on rental housing supply, it would still be the landlord's and the municipality's responsibility to assure that suitable - by criterion 2 - housing would be available to the tenants to be displaced.

We also support removing the term "affordability" from the criterion. The resulting criterion would simply be that the application would not "adversely affect the supply of rental housing in the area." Under the amended wording most of those proposals approved would be those that would ultimately result in an increased supply of rental housing.

During the course of undertaking this report the issue of the extent to which criterion 3 should prevail in the case of illegal units arose. It could be argued that an illegal unit is not a unit covered by the RHPA. Such units are nevertheless people's homes. We recommend that such units be covered. The ambiguity permitted at least a couple of landlords to exact concessions from municipalities that they would have otherwise not have been able to obtain. We recommend that safeguards be incorporated into regulations and that these be drafted in consultation with municipal officials. There is nothing that prevents a municipality from enforcing its housing and occupancy by-laws in any event.

2. Vacancy Deprotection

The RHPA does not cover vacant buildings, and the July 1988 decision of the Supreme Court of Ontario in the case of the demolition of 10 Tichester Road in the City of York made it clear that all vacant buildings, regardless of the period of time vacant, were exempt from the RHPA. In the case of several applications summarized below, including the building at 10 Tichester Road, it appears that landlords obtained vacant possession of their buildings only after the tenants were harassed and left. At the time the RHPA was drafted it was concluded that existing tenants would have no interest in what would happen to a vacant building. The prospect that landlords would deliberately empty their buildings to make them exempt from the RHPA was apparently not considered. In carrying out this study we came across 8 to 10 RHPA applications that were not finally subjected to decisions because the buildings became exempt by reason of being vacant.

If the objective of rental housing protection is to protect the stock, then future tenants do have an interest in preserving vacant buildings. In the hearings held in August 1987 deputies in the Quebec National Assembly learned that landlords were frequently emptying their buildings to obtain vacant possession and thus avoid that province's moratorium on rental housing conversion. Quebec's Bill 87 requires that a rental building or dwelling be vacant for ten years before it becomes eligible for an application for activities covered under it. We recommend that a similar provision be included in the Ontario legislation.

3. Building Size Exclusions

The RHPA applies to all buildings with more than four units. It applies to all condominium conversion applications, except that the mandatory approval criteria do not have to be applied to buildings with four units or less. Ontario's legislation, and that in most other jurisdictions as well, has concluded that activity with respect to smaller buildings should be exempted. Other observers would argue that all tenants should be protected by the RHPA, regardless of building size.

Considerable loss of units continues to occur with respect to both buildings jointly occupied by owners and tenants and to "plexes" of two to four unit buildings not exhibiting "house form." From January 1986 to June

1988, "plexes" with over 290 units were demolished in the City of Toronto and over 1000 units were lost from alterations to "plexes" buildings. From 1986 to 1987, 811 units were lost in the City of Toronto as a result of deconversion (mostly the reversion of "house form" buildings to their original single family use), while 433 units were added through conversion of, previously solely, owner-occupied properties, a net loss of almost 400. Both losses are considerably greater than the loss of units due to activity covered by the RHPA.

We recommend that rental housing protection legislation cover buildings of three units and greater. Such an increase in coverage would continue to exempt duplexes and home owners with a single apartment in their house.

4. Other Exemptions

At least two other classes of exemptions which should be included under the RHPA or replacement legislation came to light during the course of this study.

First was the current exclusion of trailer parks from the RHPA. Tenants in one trailer park in Nepean, Ontario, a suburb of Ottawa, were displaced in 1987 as a result of conversion of use. Trailer parks are included as rental premises in both the LTA and the Residential Rent Review Act (RRRA). There is no reason for them to be excluded from the RHPA, and we recommend that they be included. It is likely that this exclusion is of greater significance in other smaller centres that are nevertheless included in the coverage of the RHPA because the municipality exceeds 25,000 population.

Secondly, the RHPA currently does not cover properties in municipalities under 25,000 population. The location of the properties and tenants and ex-tenants included in this study would not ordinarily allow us to comment on the appropriateness of this threshold. However, there are municipalities within the boundaries of the Regional Municipalities of Hamilton-Wentworth and Ottawa-Carleton that are excluded as a result, Dundas in the former and Vanier in the latter. The housing in such towns and cities is nevertheless a component of the larger market area, and pressures on the rental stock do not stop at the borders of these and other municipalities. We recommend that coverage under the RHPA or replacement legislation be extended to cover entire regional municipalities including the smaller towns and cities within them.

5. Property Standards

We have already observed that the apparent lack of adequate enforcement of property standards by local departments, as well as the provincial government's Residential Rental Standards Board, may allow those landlords wanting to have their buildings declared "unsafe and unfit for human habitation" to purposefully allow their buildings to deteriorate so that they may receive demolition or luxury renovation approvals. We recommend more adequate enforcement of property standards.

We feel that the most effective means of enforcement would be a pro-active approach entailing more frequent use of municipal powers to repair. The costs of repairs are subsequently added to the owner's real property taxes.

6. Enforcement

Up to the commencement of this study only one charge had been laid for violating the RHPA. The owner of 60 Borden Street in the City of Toronto was fined $35,000 for violations of both the RHPA and the LTA. Charges against one or more others were subsequently laid in July 1988. Several violations of the RHPA were brought to our attention during this study. The temporary nature of the legislation and the lack of clear evidence has undoubtedly influenced local and provincial officials to lay charges only in the case of blatant violation.

In other instances, detailed below, landlords may have vacated their buildings or allowed them to fall into disrepair so that approval to demolish or renovate their buildings could be obtained. While not unambiguous there is evidence that tenants may have been harassed to vacate buildings.

In carrying out this study we discovered that the vast majority of tenants do not "stay and fight" when served with even unenforceable notices to terminate or when harassed. There is evidence that they believe that there is little recourse from attempting immediately to try to find another place to live or that challenging such a notice is not worth the time and effort that it would take. Others suffer from ignorance that will only be remedied by more education. Some tenants lack confidence in the ability of existing safeguards to protect their interests. The only remedy to this response is to formulate improved means of enforcing tenant rights. In the case of tenants affected by activities covered by applications under the RHPA we recommend that provincial rent review offices be equipped with special telephone lines and officers designated for RHPA applications.

Much of the work in assuring that the interests of current tenants are looked after in response to RHPA applications has been undertaken by organizations of tenants' associations and community legal clinics. We recommend that enlarged provincial core funding for such organizations, combined with extensive government publication of tenants' rights, be made available. The approved work of such organizations naturally includes advocacy on behalf of their clients. The intent of this recommendation is not to fault the work of those housing and urban planners, municipal alderpersons and councilors or their municipal councils, who have administered the RHPA conscientiously and to the best of their ability.

Enforcement could also be strengthened if the period in which charges could be filed were lengthened or if continued violation of the RHPA were made an offence. We recommend that continued use of a property altered or demolished in violation of the RHPA be made an offence.

The RHPA currently provides for the imposition of punitive fines for violations. While such fines do serve to discourage illegal activities, they do not necessarily result in justice for tenants displaced by illegal or unauthorized demolitions or renovations. An example is the aforementioned property at 60 Borden Street. While the landlord may be required to pay a fine, the amount of that fine is probably less than the increased value of the property since it was purchased, and the landlord now has a vacant building that is exempt from the RHPA. We recommend that municipalities and the Minister be empowered to order the restoration of buildings and tenancies.

In carrying out this study we learned of instances, verified by subsequent tenant interviews, of tenant harassment by landlords with the object of gaining vacant possession of buildings. In addition to any other penalties that might be imposed, we recommend that Ontario adopt measures similar to those enacted in 1987 to cover similar situations in Quebec. Landlords found to have used harassment should not be eligible to apply to undertake actions covered by the RHPA for five years. As well, we recommend that the RHPA be amended to cover properties used as rental at any time in the past ten years. Both of these recommended measures, if followed and enforced, should discourage harassment by landlords in most instances.

7. Administration

All aspects of the RHPA are administered by municipalities. A small secretariat and an analyst in the Rent Review Policy Branch oversee municipal administration for the provincial government. Appeals of local municipal decisions are made to the OMB. Neither municipal councils nor the OMB are set up to properly look after the interests of tenants. Very few approvals under the RHPA have conditions associated with them that are designed to secure specific awards, notably those specified in criterion 2, for tenants displaced by the applications. In at least one municipality the mandatory criteria continued to be viewed - by council and often contrary to recommendations of municipal planners - as optional, to be balanced against planning objectives and considerations.

Again, the experience in the six municipalities where RHPA applications were reviewed varies widely in this respect. While planning and building decisions in Ontario have always been the responsibility of local or regional municipalities, protection of tenant rights have on the other hand always been a provincial responsibility.

We recommend that the administration of the mandatory criteria, all of which have been designed, to a greater or lesser extent, to protect tenant interests, be transferred to or subjected to considerably increased scrutiny by the provincial government. The provincial level of government is also best equipped to propose conditions in tenants' interest that might be attached to RHPA approvals. Under the above recommendations, local planning approvals would still be required before building or demolition permits were issued or conversion permitted.

This study has surfaced--some would say confirmed--considerable inadequacies in the administration of landlord-tenant disputes in the province. On the one hand, alternative, less cumbersome mechanisms operating at a more informal level for adjudicating landlord-tenant disputes could be more accessible to greater numbers of tenants. On the other hand, administration of justice in the district court system has the benefit of years of a particular line of legal precedents in enforcing tenant rights against the clearly superior economic interests of landlords.

8. Condominium Conversion

Only about 20 per cent of tenants interviewed as part of undertaking this study would consider purchasing their own units where applications are made under the RHPA. An additional 12 per cent might do so if the price were right. This proportion is reduced even further if adjustments are made for unrealistic judgments or expectations as to price and carrying costs. This result is obtained even with groups of tenants in very large apartment buildings for which condominium conversion applications have been made in the recent past. Outside of these buildings there is very little demand - well under 10 per cent - for condominium conversion whatsoever.

On the other hand, approximately three out of four of those tenants interviewed would be willing to remain in their unit as a tenant even if a condominium conversion were to be approved if they felt assured that they would have security of tenure and future increases were limited so as not to result in their "economic" eviction.

As there is such a low demand from tenants to purchase their own apartments, we recommend that provincial policy be not to permit either the conversion of use or the registering as condominiums of buildings currently consisting of rental units, including those owned by cooperative companies with equity shares, until apartment vacancies reach a magnitude of three per cent. Even should apartment vacancies reach such a level, we recommend conversion to condominiums should be governed by provisions similar to those prevailing in western Canadian cities; that is, up to three-fourths of tenants should express a desire to purchase their units and those not wishing to or unable to purchase their apartments should be allowed to remain as tenants, fully protected by the provincial rent review program and security of tenure.

In several instances landlords have proposed what appear to be on the surface fairly liberal leases - up to 49 years - for tenants remaining in buildings otherwise converted to condominium tenure. Security of tenure, however, involves considerably more than a lengthy lease. Economic eviction, which may occur when tenants cannot afford rent increases, may still occur. It is therefore essential that tenants be protected against rent increases above rent review guideline amounts during the terms of any leases. For this to occur, it would be necessary for landlords, the original proponents or the purchasers of their interests, to agree to such terms. We recommend that a regulation that would accommodate this need be made under the Residential Rent Review Act (RRRA), and we understand that such is under consideration at the present time.

We could only sanction any conversion at all if the leases offered included enforceable provisions limiting future rent increases. Provisions banning major capital expenditures to accrue to rental apartments would have to be incorporated into the conditions for approval. We recommend that tenants be eligible for leases as long as their tenancies or seven years, whichever is greater. The apartments belonging to remaining tenants could not be sold during the term of the lease.

Finally, we also believe that the notion of condominium conversion goes against the philosophy governing the province's condominium legislation. Condominium housing has been viewed as a means of providing home ownership opportunities to those who cannot afford single houses and to those who want the location, maintenance and small size convenience generally offered by condominium tenure. This tenure has heretofore not been viewed as a rationale for converting buildings from rental tenure. Nor does the province's Condominium Act deal with the possibility that buildings may be of mixed condominium/rental tenure. Do tenants have the right to all facilities? It is for these reasons as well that we could accept the sanctioning of conversion only where a very large majority of tenants indicate a clear willingness and intent to purchase and where tenants not wishing to purchase are fully protected by leases that incorporate rent increases no greater than the provincial guidline and security of tenure.

Finally, we recommend that in those very few instances in which we anticipate that condominium conversion would be approved under the guidelines proposed above, that each and every tenant be entitled to the right of first refusal on each and every separate offer to purchase their unit when it is placed on the market. Only such a provision would fully respect tenants' right to security of tenure.

9. Conversion of Rental Condominium Buildings

During the course of carrying out this study we learned of the imminent displacement of tenants in two large rental complexes, originally in receipt of draft approval as condominiums, but used since their construction entirely (100%) as rental properties. Tenants in receipt of notices were interviewed and we conducted a "focus group" in one of the two complexes. We heard of other instances as well.

The dwelling units in these buildings may be sold legally to new owners, who may subsequently evict existing tenants with 60 days notice under the owner's own use provisions of the LTA. On the other hand many of the developers of these complexes applied for draft condominium approval only to protect their future options, essentially the option to convert what was always intended initially as a rental complex to condominium tenure should future market conditions make it feasible. In other instances developers have simply intended to make use of initial cash flow generated by the savings in income taxes of the accelerated capital cost allowances permitted in the first few years of a rental building's life and other tax advantages accruing to the owners of new rental complexes. Regardless of the motivation of developers and owners, and the tax and other forces operating in the market, the security of tenure of tenants is surely an issue.

We recommend that the tenants in these buildings be subjected to the same security of tenure provisions recommended above for tenants of other buildings where condominium conversion may occur or be approved. Landlords would not be able to sell units occupied by tenants. We would also recommend that the provincial government subject its current condominium legislation to study with the ancillary objective of maximizing the creation of a permanent and long-term rental housing stock. It is our view that the Condominium Act should be used only where there is clear intent to create a condominium building.

10. Equity Co-operatives

The RHPA stopped the creation of new equity co-operative schemes under which shares in buildings attached to the right of occupancy - as opposed to percentage of interest or public companies - are sold to third parties. Amendments to the LTA in 1983 prohibit shareholders in buildings of over six units from occupying units connected to these shares under owners' own use provisions. We nevertheless encountered buildings where such schemes continue to be advanced and interviewed tenants who continue to receive illegal notices of eviction and where owners have use of facilities denied to tenants. In some cases it is felt that rent increases far above the RRRA guideline may result in the economic eviction of tenants. In one case a severance was granted under the RHPA so that the mortgage problems encountered by one complex could be resolved, and no conditions that would prohibit the future sale of the severed units, technically exempt from the RHPA, was applied.

This state of affairs is totally unsatisfactory. We recommend that the provincial government resolve the problems created by schemes such as these even if it must ultimately purchase these buildings or lease the rental units directly.

B. TENANT INTEREST

The review of the municipal decision-making process and of some of the essential issues involved in recommending, granting or denying approval, as well as interviews of over 150 tenants who are facing displacement or who have been displaced by demolition, renovation and repair, or conversion of use or tenure, raises very substantial issues regarding tenant rights and the enforcement of those rights. The imposition of minimal mandatory conditions, extending beyond the notice periods provided in the Landlord and Tenant Act (LTA), is required. Tenants have the right to relocation and other assistance in moving. This assistance is not viewed as a replacement for other conditions which applicants and proponents must meet before their proposals may be approved.

The Tenant Interest

Despite its primary objective of protecting the existing rental stock, the RHPA incorporates a fine balance between the rights of landlords and of tenants, between local and provincial administration of planning and landlord/tenant matters, and between the need to conserve and protect the rental housing stock and the need to provide for its maintenance and renewal. It is only one of many means to provide affordable housing for Ontario's residents, part of the Assured Housing program for Ontario first announced in December 1985.

The balance cannot always be mediated in such a way that tenants are never displaced. Buildings do deteriorate. Buildings do become outmoded to such an extent that there is no longer a demand for apartments in them. Some buildings should undoubtedly be demolished to make way for more contemporary structures, apartments which will often be too expensive for the tenants of the buildings replaced.

There is a need to integrate the various elements of government's housing policies and programs to assure that the needs of tenants, especially low-income tenants, are accorded greater attention in the event of dislocation. For instance, many buildings that might be removed, even temporarily, from the rental housing stock could benefit from the provincial government's Low Rise Rental Housing Rehabilitation Program. Although it has been observed that there is insufficient opportunity for tenant input, use of this program might, in appropriate instances, be made a condition for granting an application for renovation and repair. Rent increases are theoretically minimized under this program, as only necessary repairs and updating of building components may be authorized, and the period of vacant possession is minimized, as tenants will most often be returning to their units following housing in temporary locations for short periods of time.

Where tenants continue to be displaced, it is imperative that they be compensated adequately for removal. As a basic minimum we recommend that tenants be compensated by landlords for reasonable costs of moving and for first and last month's rent at a new location.

Where tenants are displaced because a local council has concluded that there is an adequate supply of rental housing available - instances of which we recommend occur less frequently than between 1986 and 1988 unless housing conditions drastically change - we recommend that they receive, in addition, compensation for the difference between their old rents and the rent for similar accommodation (provided it meets all housing occupancy by-law requirements) in the same area for a minimum period of twelve months.

As indicated above, where unauthorized demolition or renovation occurs we recommend that penalties go beyond the punitive ones currently in the Act. We recommend that municipalities and the Minister be empowered to order the restoration of dwellings demolished or the rental of those renovated without authorization at the old rents, subject to guideline increases under the RRRA. The power to order restoration currently exists in the case of heritage buildings, and that same power should be extended as well under the Rental Housing Protection Act.

As indicated above there is a fine balance between the need to conserve and protect the rental housing stock and the need to provide for its maintenance and renewal. In many instances conservation and renewal efforts will in effect threaten the security of tenure of existing tenants. This is certainly true in cases where vacant possession may be required. It is also true if it results in rent increases greater than the cost of living or increases in income.

We conclude below that there is tremendous need for rental housing stock conservation efforts. There is also considerable demand to renovate large numbers of units to a level that necessarily results in the "economic" eviction of existing tenants and the loss of particular units to the market which they currently serve. It can be predicted with certainty that the status quo cannot be preserved for every dwelling in perpetuity.

We suggest that provincial and municipal authorities not simply let conservation and renewal efforts take their natural course and control only those endeavors that require vacant possession. Society could effectively prevent vacant possession or, as is the case with the Low-rise Residential Rental Rehabilitation program, reduce the length of vacant possession and assure that existing tenants have the opportunity to re-occupy their units following short absences. We recommend a more pro-active approach to the conservation and maintenance of the existing rental housing stock.

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I. BACKGROUND IN HOUSING SUPPLY AND AFFORDABILITY

A. TRENDS IN HOUSING SUPPLY PRIOR TO THE RHPA

The demand by tenants and tenant advocates for legislation to curtail the loss of housing stock, especially the "affordable" portion of the stock, stems from the very real threat that was posed to many moderate rental buildings by events in the late 1970s and early 1980s. The losses of units became an issue as well for municipal and provincial officials concerned with an adequate supply of affordable units. Many municipalities resolved to act within their limited powers to stop the erosion of the rental housing stock. Policies towards applications for condominium conversion and demolition permits were the primary levers then possessed by municipalities.

Each of the six area municipalities in Metropolitan Toronto adopted policies, mostly restrictive, towards the registration of condominium conversions. Four of the municipalities tied their consideration of condominium conversion applications to a threshold rental vacancy rate. Scarborough prohibited conversion applications altogether, and the City of York approved applications that met specific requirements with respect to parking, minimum unit sizes and a consideration of rental market conditions.[1] The Cities of Hamilton and Ottawa also adopted restrictive condominium policies tied to rental market vacancy rates. The practice of avoiding the restrictions against condominium conversions by owners selling equity shares in buildings tied to particular units began to develop in the late 1970s. Share owners would then evict tenants under the owner's own use provisions of the LTA. This practice was prohibited for buildings of seven units and greater by amendment to the LTA in 1983. The practice of renovating apartments with vacant possession also developed in this period. New legal rent levels could be established for units kept off the market for 12 months.[2]

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[1] There were several exemptions from these policies. Toronto exempted luxury rental buildings and those originally used as single family houses. East York permitted conversion of equity co-operatives to co-operatives.

[2] This practice is now legally prohibited under the RRRA.

Enabling legislation allowing municipalities to delay, but not prohibit, demolition of buildings was enacted by the Legislative Assembly.

1. Losses of Rental Housing Stock Prior to 1985

Table 1 details the loss of rental housing stock, by reason of loss, in the City of Toronto prior to 1985. Nearly 1,000 rental units were demolished or had demolition permits issued from the mid-1970s to 1985. Over 3,000 units were renovated with tenants evicted. Over 2,000 were converted to condominium or co-ownership, and in excess of another 2,000 were converted to apartment hotels or furnished rentals. Total losses of affordable housing stock were estimated to be almost 9,000 units in an eight year period, over 1,000 per year.

Table 1

Demolition, Renovation and Conversion of Existing Private Rental Apartment Buildings of Six Units or More, City of Toronto, 1978-1985

	Buildings	Units
Demolitions		
Completed	12	325
Approved	7	240
Applications & Intentions	30	869
Renovations	88	3,069
Conversions		
Approved Condominium	17	971
Proposed Condominium	10	157
Co-ownership	35	936
Apartment Hotels	35	2,139
Furnished	62	38
Total	240	8,944

Sources: City of Toronto and Canada Mortgage and Housing Corporation.

2. Changes in the Use of Existing Properties

In addition to recorded losses of units stemming from changes authorized by City Council, other losses of units occurred as a result of changes in the intensity of use of existing properties. In the late 1970s the City of Toronto Planning and Development Department began devoting even greater attention to changes in the housing stock over and above those that would be anticipated from building and demolition permit applications. The increase in units in the 1976 Census had been much smaller than the net increase anticipated from building statistics. Some 8,187 dwelling units were lost from the existing stock between 1971 and 1976, and planners were interested in explaining and documenting the discrepancy.

A special study of dwelling unit changes during the period 1976 to 1979 concluded that a possible major source of unit losses in addition to the those described above was the "deconversion" of previously owner-tenant occupied properties to only owner occupied. Many owners who had previously rented out flats or apartments in their homes were no longer doing so. Some 4,781 properties, almost one out of four, with 18,882 units and nearly 28,000 inhabitants were deconverted in the 1976-1979 period.[3]

Planners followed up the finding regarding the importance of changes in the use of existing housing stock with the development of a tracking system utilizing annual provincial assessment and enumeration data. While there are concerns about the quality of these data, it is argued that the resulting Housing Occupancy Analysis System does increase the capability to monitor changes in the housing stock.[4]

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[3] City of Toronto Planning and Development Department, Policy and Research Division, "Housing Deconversion", Research Bulletin 16 (September 1980).

[4] It is argued by some observers that the data do not accurately reflect the conversion of single houses to multiple use, as this is often contrary to local by-laws and hidden from local building officials. Complete enumerations are undertaken only in municipal election years, and beginning in 1988 this was self-enumeration. Assessment data reflect changes in which local officials, permits and by-laws have been involved, but there has not

In 1986 the City of Toronto Planning and Development Department published the results of housing stock changes for the period 1976-1985.[5] Summarized in Table 2, the Housing Occupancy Analysis System showed that the major change in the period was a decrease of one-third in the number of owner-tenant occupied properties, representing over 9,000 dwelling units. There were 23,600 unit gains from new construction and alterations and a loss of almost 4,700 units from demolitions and alterations. By themselves these changes should have resulted in a gain of 19,000 units, but the combination of conversion and deconversion and intensification and the de-intensification of the remaining housing stock - properties that were in use at both the beginning and end of the period - resulted in only an additional 9,928 units.

The major conclusion of the study was that changes in the use of the existing housing stock were at least equally as important with respect to housing supply implications as changes that occur from new construction, demolitions and alterations for which building permits are required or may be issued. As Table 3 below indicates, changes that result in both losses and gains are constantly occurring. The net loss of almost 11,000 units in the remaining stock was the result of almost 29,000 losses - over 10 per cent of the total - and almost 18,000 gains.

The Housing Occupancy Analysis System was applied to the City of Ottawa from the 1981 - 1985 period and a much smaller net loss of 928 units for the period from the conversion/deconversion process was shown to have occurred. This nevertheless represents over three per cent of the existing rental housing stock.[6] The system has not yet been used by other municipalities in Ontario.

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been a comprehensive reassessment since the early 1970s.

[5] City of Toronto Planning and Development Department, Research and Information Section, "Trends in Housing Occupancy," Research Bulletin 26 (August 1986).

[6] Ontario Minister's (of Housing) Advisory Committee on the International Year of Shelter for the Homeless, More Than Just a Roof (Toronto 1988), p.29.

Table 2

Changes in the Total Housing Stock by Tenure, Toronto, 1976 - 1985

Occupancy of Property	1976		1985		Change 1976 - 1985	
	#	Per Cent	#	Per Cent	#	Per Cent
Properties						
Owner	66,280	54.8	80,474	62.4	14,194	21.4
Tenant	25,395	21.0	27,190	21.1	1,795	7.1
Owner-tenant	24,791	20.5	16,543	12.8	-8,248	-33.3
Vacant	4,409	3.6	4,720	3.7	311	7.1
Total	120,875	100.0	128,927	100.0	8,052	6.7
Dwelling Units						
Owner	66,436	25.4	80,860	29.7	14,424	21.7
Tenant	131,962	50.4	145,284	53.5	13,322	10.1
Owner-tenant	57,742	22.0	39,760	14.6	-17,982	-31.1
Vacant	5,739	2.2	5,903	2.2	164	2.9
Total	261,879	100.0	271,807	100.0	9,928	3.8
Population						
Owner	223,634	36.1	239,234	40.6	15,600	7.0
Tenant	255,815	41.3	262,426	44.6	6,611	2.6
Owner-tenant	140,680	22.7	86,870	14.8	-53,780	-38.2
Vacant	-	-	-	-	-	-
Total	620,099	100.0	588,530	100.0	-31,569	-5.1

Source: City of Toronto Planning and Development Department, Housing Occupancy Analysis System.

These data and events prior to 1985 offer several lessons to those interested in the supply of affordable housing. Firstly, the magnitude of losses of rental housing stock in the period preceding 1985 were significant. Major losses amounted to five per cent of the total rental housing stock in an historically very short period of time. Secondly, changes in the use and intensity of use of the existing housing stock, some of which cannot be easily controlled and which is exempt from the current RHPA, have tremendous implications for the supply of rental housing. The public policy benefits of devoting greater attention to the use of the existing housing stock appear to be at least as great as attention to new construction.

Table 3

Change in the Remaining Housing Stock, Toronto, 1976 - 1985

Type of Change in Occupancy	Change in Unit Counts
Gains	
Conversion	7,610
Intensification	6,696
Other Gains	3,370
Total Gains	17,676
Losses	
Deconversion	-16,929
De-intensification	-8,130
Other Losses	-3,557
Total Losses	-28,616
Total Net Change in Housing Stock	-10,940

Source: City of Toronto Planning and Development Department, Housing Occupancy Analysis System.

B. TRENDS IN HOUSING SUPPLY SINCE PASSAGE OF THE RHPA

The erosion of the existing rental housing stock in the late 1970s and early 1980s motivated demand for legislation to protect that rental housing stock. While municipalities had used their power to restrict condominium conversions, and provincial legislation preventing the formation of equity co-operatives and legislation permitting municipalities to delay demolitions had assisted as well, it was the RHPA and its restriction on demolitions, conversion and renovations and repairs requiring vacant possession that satisfied tenant and municipal demands for a more comprehensive approach - indeed a moratorium on the activities for at least a limited period - to the problem. What has been the experience since the passage of the RHPA?

The RHPA exempts a portion of the province's housing stock: vacant buildings; buildings or groups of properties under five units; and buildings in municipalities under 25,000. The latter exemption affects the municipalities of Dundas (near Hamilton) and Vanier (surrounded by Ottawa) with respect to the current study. The RHPA does not in any way impinge upon the owner's own use provisions of the LTA.

1. "Plexes" Activity

It was decided as part of this enquiry to examine specifically demolition and building and alteration activity with respect to "plexes" in the three market areas included, excluding five- and six-plexes, which are covered by the RHPA. As it was the only automated system, it was possible to undertake this examination only for the City of Toronto. Further enquiry in the other municipalities would have proved prohibitive.

Building permit data were obtained from the City of Toronto. Building permit summaries theoretically cover all demolitions, new construction and alterations. They exclude by definition most repairs and renovations not involving structural alterations, although they may include all major plumbing work.

Table 4 summarizes units losses due to demolitions and alterations, as reflected in building permits, in the City of Toronto. Demolitions averaged 124 annually, while alterations resulted in a loss of an additional

Table 4

Building Permit Summary Report, Three and Four-Plexes
Toronto, 1985 - 1988

	Losses	
Year	Demolitions	Alterations
1985	-153	-218
1986	-99	-286
1987	-156	-730
1988 (June)	-27	-193
Average	-124	-408

Source: City of Toronto, Building Department.

408 units. As will be seen below, this annual total of losses may be as much as twice the loss of units resulting from RHPA applications, even should all pending and appealed applications be eventually approved. These losses represent about half the total tenant units demolished in the 1985 - 1988 period.

2. Low-rise Rental Housing Rehabilitation, 1986 - 1988

It is recommended above that increased co-ordination of the provincial government's Low-rise Rehabilitation Program and RHPA applications for renovation and repair should be considered. Of course, it currently only applies to low-rise buildings built prior to 1961. The program would not be suitable in situations where the extent of required repairs is so extensive that vacant possession would be required for an extended period of time. The attractiveness of the program is that it provides loan funds which the recipients do not have to begin repaying immediately, and only those repairs necessary to meet building by-law requirements are sanctioned.

There is evidence that this program is already having a significant impact in the communities included in this study. As is shown in Table 5

Table 5

Low Rise Rehabilitation Program

Municipality	Total Units	Avg. Units/ Building	Average $/Unit
East York	214	14	3,573
Etobicoke	250	25	5,000
North York	63	9	4,841
Scarborough	100	33	3,740
Toronto	643	9	4,630
York	281	13	4,467
Metropolitan Toronto	1,551	12	4,465
Hamilton	890	15	3,904
Ottawa	666	6	4,123
Vanier	37	3	4,467
Total	3,144	10	4,232

Source: Ontario Ministry of Housing.

over 3,100 units had been repaired to June 1988 at an average cost of $4,232 per unit. Average building size was ten units, approximately the average size for buildings for which renovation and repair applications have been made under the RHPA.

3. Overall Housing Stock Changes, 1985 - 1988

It would be nearly impossible to control or restrict all changes in the housing stock. The purpose of monitoring these changes is to guide the formation of public policy. Table 6 and Chart 1 summarize the application of the Housing Occupancy Analysis System to the period 1985 - 1988, and compares it to the earlier period, 1979 - 1985.

The decrease in the supply of rental housing stock appears to have moderated for the time being, although the trends noted above for the earlier period continue. Over 2,300 units in owner-tenant occupied properties were lost as a result of deconversion in the period. This likely represented approximately 1,300 tenant-occupied units. In addition, over 700 units were lost in tenant occupied properties in the remaining housing stock - properties that existed in both the beginning and end of the period. Over 800 units in tenant occupied properties were lost to demolition. Total decreases in tenant occupied units approximated 2,800 units. It can probably be assumed that rents for the units lost would have been considerably less than for the new units built or otherwise created. These losses were balanced by gains of almost 4,400 units from new construction. Nevertheless, total increases in the number of rental units were reduced to 1,500 as a result of changes in the 1985 stock and its use.

In the 1979 - 1985 period over 8,200 rental units were lost, almost twice as many on an annual basis as in the latter period, while nearly 14,000 tenant occupied units were added by new construction. While the average number of rental units lost declined in the 1985 - 1988 period, net gains were also below the earlier period as a result of a declining rate of new construction of new rental units.

Table 6

Changes and Sources of Changes in the Total Housing Stock by Tenure
Toronto, 1979 - 1985 and 1985 - 1988

	1979	1979 - 1985			1985	1985 - 1988			1988
	Stock	Changes in Remaining Stock	Losses	Gains	Stock	Changes in Remaining Stock	Losses	Gains	Stock
Properties	122,274	0	+1,562	+8,215	128,173	0	-649	+3,347	130,871
Owner Occupied	77,086	+3,195	-292	+3,638	83,457	+2,189	-120	+1,961	87,487
Owner-tenant	16,702	-3,308	-53	+49	13,373	-1,614	-16	+33	11,776
Tenant Occupied	24,021	+902	-716	+2,983	26,839	-1,245	-319	+706	25,981
Vacant	4,465	-789	-501	+1,545	4,504	+670	-194	+647	5,627
Units	264,978	8,543	-4,061	+19,433	270,409	+484	-1,274	+7,729	277,348
Owner Occupied	83,196	+1,048	-334	+3,644	87,378	+2,709	-125	+2,247	92,209
Owner-tenant	39,799	-6,768	-307	+342	33,019	-2,339	-45	+352	30,987
Tenant Occupied	135,790	-1,564	-2,635	+13,693	144,433	-717	-804	+4,385	147,297
Vacant	6,193	-1,259	-785	+1,754	5,579	+831	-300	+745	56,855

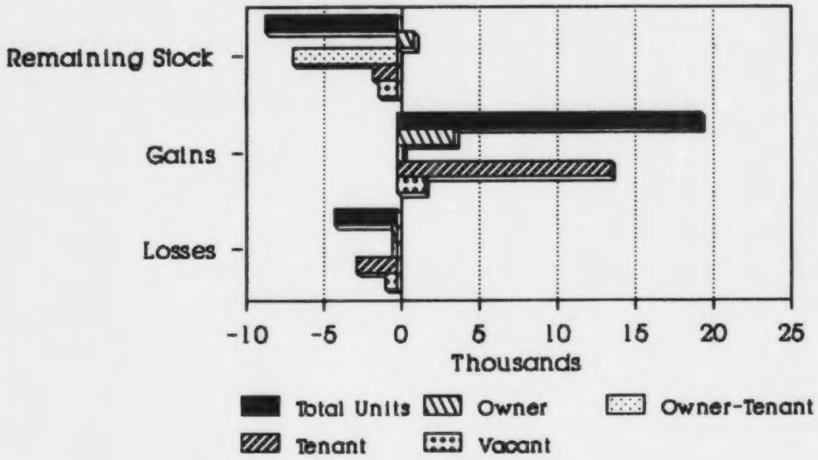
Source: Housing Occupancy Analysis System, Courtesy of City of Toronto, Planning and Development Department.

CHART 1

Changes in Housing Stock

Units by Tenure

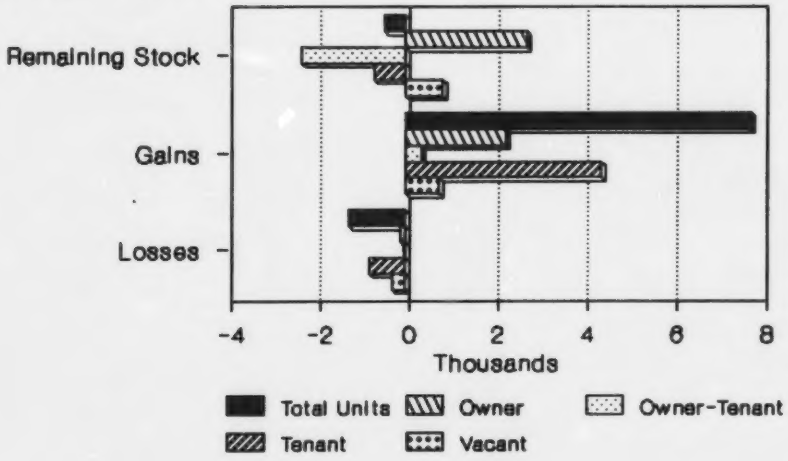
Changes 1979-1985



Changes in Housing Stock

Units by Tenure

Changes 1985-1988



Source:Housing Occupancy Analysis System

The detailed knowledge of changes in the use of the existing housing stock that exists in the City of Toronto does not exist in the other five area municipalities in Metropolitan Toronto. Nor does it exist in Hamilton or Ottawa. Summary data of net changes in the housing stock exist for Metropolitan Toronto and the six area municipalities and are summarized for the period 1985 - 1987 in Table 7.

Table 7

Net Changes in Tenure by Housing Type, Metropolitan Toronto, 1985 - 87

	Total	Number		Per Cent (Row)	
		Owned	Rented	Owned	Rented
METROPOLITAN TORONTO					
1985					
Single Detached	257,346	240,685	16,661	93.5	6.5
Single Attached	91,746	71,997	19,749	78.5	21.5
Condominiums	70,929	47,994	22,935	67.7	32.3
Plexes	86,281	39,779	46,502	46.1	53.9
Apartments	285,203	362	284,841	0.1	99.9
Col. & Other	28,954	2,913	26,041	1.0	99.0
Total	820,459	403,730	416,729	49.2	50.8
1987					
Single Detached	258,006	242,469	15,537	94.0	6.0
Single Attached	93,444	74,512	18,932	79.7	20.3
Condominiums	79,551	52,783	26,768	66.4	33.6
Plexes	84,898	38,627	46,271	45.5	54.6
Apartments	286,583	159	286,424	nil	100.0
Col. & Other	28,722	2,875	25,847	1.0	99.0
Total	831,204	411,425	419,779	49.5	50.5
Change, 1985 - 87					
Single Detached	660	1,784	(1,124)		
Single Attached	1,698	2,515	(817)		
Condominiums	8,622	4,789	3,833		
Plexes	(1,383)	(1,151)	(231)		
Apartments	1,380	(203)	1,583		
Col. & Other	(232)	(38)	(194)		
Total	10,745	7,695	3,050	71.6	28.4

Table 7 (cont.)

Net Changes in Tenure by Housing Type, Metropolitan Toronto, 1985 - 87

		Number		Per Cent (Row)	
	Total	Owned	Rented	Owned	Rented
CITY OF TORONTO					
1985					
Single Detached	35,753	32,071	3,682	89.7	10.3
Single Attached	35,581	29,424	6,157	82.7	17.3
Condominiums	11,770	4,731	7,039	40.2	59.8
Plexes	60,613	28,616	31,997	47.2	52.8
Apartments	90,737	60	90,677	0.1	99.9
Col. & Other	21,275	2,017	19,258	9.5	90.5
Total	255,729	96,919	158,810	37.9	62.1
1987					
Single Detached	35,953	32,820	3,133	91.3	8.7
Single Attached	36,660	30,742	5,918	83.8	16.2
Condominiums	15,641	7,112	8,529	45.5	54.5
Plexes	58,706	27,420	31,286	46.7	53.3
Apartments	91,609	69	91,540	0.1	99.9
Col. & Other	21,037	1,984	19,053	9.4	90.6
Total	259,606	100,147	159,459	38.6	61.4
Changes 1985 - 87					
Single Detached	200	749	(549)		
Single Attached	1,079	1,318	(239)		
Condominiums	3,871	2,381	1,490		
Plexes	(1,907)	(1,196)	(711)		
Apartments	872	9	863		
Col. & Other	(238)	(33)	(205)		
Total	3,877	3,228	649	83.3	16.7
SUBURBS					
1985					
Single Detached	221,593	208,614	12,979	94.1	5.9
Single Attached	56,165	42,573	13,592	75.8	24.2
Condominiums	59,159	43,263	15,896	73.1	26.9
Plexes	25,668	11,163	14,505	43.5	56.5
Apartments	194,466	302	194,164	0.2	99.8
Col. & Other	7,679	896	6,783	11.7	88.3
Total	564,730	306,811	257, 919	54.3	45.7

Table 7 (cont.)

Net Changes in Tenure by Housing Type, Metropolitan Toronto, 1985 - 87

		Number		Per Cent (Row)	
	Total	Owned	Rented	Owned	Rented
1987					
Single Detached	222,053	209,649	12,404	94.4	5.6
Single Attached	56,784	43,770	13,014	77.1	22.9
Condominiums	63,910	45,671	18,239	71.5	28.5
Plexes	26,192	11,207	14,985	42.8	57.2
Apartments	194,974	90	194,884	nil	100.0
Col. & Other	7,685	891	6,794	11.6	88.4
Total	571,598	311,278	260,320	54.4	45.6
Change 1985 - 87					
Single Detached	460	1,035	(575)		
Single Attached	619	1,197	(578)		
Condominiums	4,751	2,408	2,343		
Plexes	524	44	480		
Apartments	508	(212)	720		
Col. & Other	6	(5)	11		
Total	6,868	4,467	2,401		

Source: Housing Occupancy Analysis System. Courtesy of City of Toronto Department of Planning and Development.

The proportion of all households renting decreased slightly from 50.8 to 50.5 percent from 1985 to 1987. Absolute losses occurred in the number of rental units in single houses and in plexes, indicating that the deconversion characteristic of the owner-tenant occupied stock in the City of Toronto has prevailed throughout Metropolitan Toronto as a whole. The loss of rental units in plexes, however, seems prevalent only in the City of Toronto. There was a net increase in the suburbs, but not sufficient to completely cover losses in the City. The major increase was in numbers of rental units in condominiums. It is not known what proportion of these increased numbers of rental units in condominiums are rental units in buildings that received draft condominium approval that are 100 per cent renter occupied or in buildings where the renters are tenants of individual condominium owners/investors. The proportion of condominium units occupied by renters decreased considerably in the City of Toronto, but decreased only slightly in the suburbs. While over one-half of the condominium units in the City continue to be occupied by tenants, only 38 per cent of the net additions for 1985 - 1987 are occupied by tenants.

C. TRENDS IN RENT AND AFFORDABILITY

Associated with increased costs of producing rental housing, and likely with a growing shortage of affordable rental housing as well, have been relatively escalating rents. This was particularly true in the 1981 to 1985 period, but less the case from 1985 to the end of 1987.

1. Trends in Number of Affordable Units

To establish a trend as to whether rental housing was becoming more or less affordable, we examined rents and rent increases over the period 1981 to 1987 relative to increases in the Consumer Price Index (CPI).[7] Affordable units in 1981 were defined as those renting for the average rent level or less by number of bedrooms. That rent level was then tracked to 1987 relative to the CPI for all items. For each time period we measured the proportion of rental units renting for 1981 average rents, adjusted to CPI increases in each successive year, and the proportion renting for less than the new number were determined to be "affordable." In this way we were able to measure not only changes in average rent levels vis-a-vis the CPI, but the effects of a changing distribution of rents as well. The relationship of these rents to the distribution of tenant incomes is discussed below in subsection 4, "Trends in Tenant's Incomes and Rents".

Table 8 portrays changes in the proportion of units determined to be affordable using this method. There was a significant decline in both the proportion and number of affordable housing units over the time period. The number of affordable units in the Hamilton, Ottawa and Toronto census metropolitan areas declined from 152,000 in 1981 to 131,000 in 1985 and then increased to 140,000 in 1987.[8] The proportion of affordable units declined from 59 to 49 per cent in the Toronto CMA; from 52 to 34 per cent in the Ottawa CMA (Ontario portion); and from 55 to 46 per cent in the Hamilton CMA. Chart 1 portrays these trends in graphic form.

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[7] Sources: Canada Mortgage and Housing Corporation (CMHC), Rental Market Survey (Various years); Statistics Canada, Consumer Price Index (Various years).

Table 8

Affordable Rental Units, 1981 - 1987

	Toronto City	Toronto CMA	Ottawa CMA	Hamilton CMA	Total
	Number (000)				
1981	19	113	20	19	152
1985	19	100	15	16	131
1987	24	107	16	17	140
	Per Cent				
1981	45	59	52	55	58
1985	33	45	34	47	44
1987	41	49	34	46	47

Source: CMHC, Rental Market Survey, 1981, 1985 and 1987.

2. Events Associated with Changes in Number of Affordable Units

Two conclusions, one positive and the other negative, can be drawn from these data. First, rents in the CMHC survey shifted upwards in real terms, and housing can be said to have become less affordable between 1981 - 1987. On a positive note this decrease seems to have slowed and even reversed itself in the 1985 to 1987 period.

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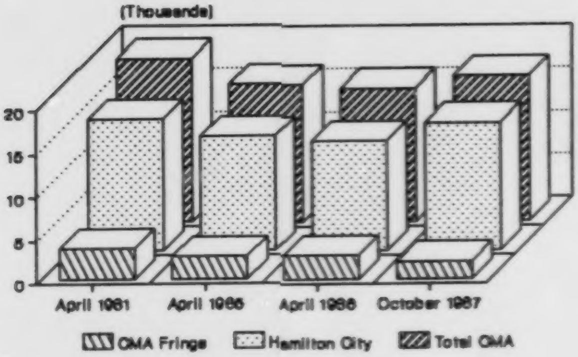
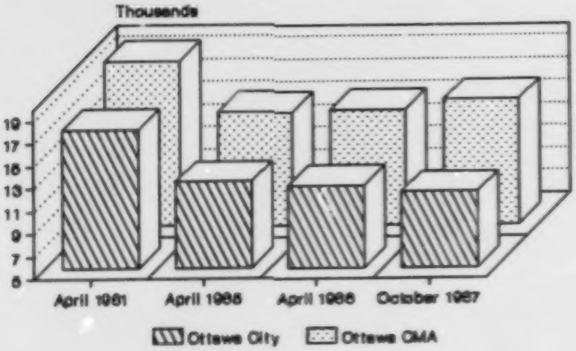
[8] Source: CMHC, Rental Market Survey; Data for 1981 and 1985 are for April, while data for 1987 are for October. Beginning in 1988 CMHC will survey rents only once per annum, and there are thus no data for 1988 until late in the year.

CHART 2

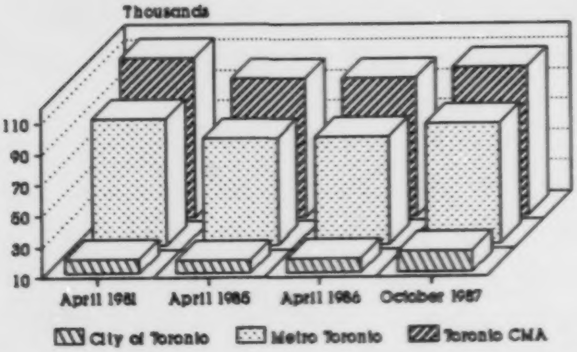
Hamilton CMA Affordable Units
(Number)



Ottawa CMA Affordable Rental Units
(Number)



Toronto CMA Affordable Rental Units
(Number)



Source: CMHC Rental Market Survey

Several possible explanations for the erosion of affordability and the recent slowing of erosion in affordability offer themselves. Firstly, the stock of rental housing is constantly changing and the rents associated with this stock change over time accordingly. As new and renovated units, usually possessing higher rents than older units, are added to the stock, there is a tendency for the price of the total housing stock to increase at a faster rate than the older stock. While this explains why the proportion of "affordable" units, certainly using the method described above, would decline over time, it does not explain why the absolute numbers of "affordable" units would decline over time.

Changes from 1981 to 1987, however, reflect more than just adding new units to the stock. The numbers of "affordable" units declined absolutely. We can speculate that this decrease in numbers can be associated with one or two other phenomena, one of which is integrally related to the impact of the RHPA. Major changes were imposed on Ontario's rent review system in 1985. First, the rent increase guideline was reduced from six to four per cent in 1985. The guideline is now governed by a formula, and this averaged 4.9 per cent in 1986 and 1987. Guideline increases for the entire period beginning in 1985 and ending at the end of 1987 averaged 4.6 per cent, slightly greater than the CPI. Other measures were also introduced with the objective of reducing the rate at which low- and moderate- rental units were lost to the affordable stock. A rental registry, one object of which was to restrain landlords from increasing rents illegally by more than the guideline amount when apartments became vacant, was introduced. Furthermore, the procedure by which a landlord could remove rental units from the market, undertake renovation, and then place them back on the market at a totally unrelated and higher rent was eliminated by new legislation.

The full effect of the new rent review regime on overall rent levels and increases, however, will become apparent only with the passage of time. While the new regime was designed to reduce the incidence of "nefarious" rent increases, it was also designed to allow rents to more closely approximate demand over the longer term. The rent increase guideline is established at a deliberately generous level - approximating actual operating cost increases plus two per cent - to encourage private builders to build new rental accommodation, and rents are permitted to rise to a level guaranteeing landlords a generous rate of return on post-1975 buildings not covered by rent review prior to August 1985.

However, it is doubtful that either those new measures intended to discourage "illegal" rent increases, or those designed to allow liberal rent increases to stimulate new development and adequate maintenance, have yet had time to have effect. The rent registry is reportedly not fully operational, and has not yet been required for buildings of less than seven units except where applications for extraordinary rent increases have been made. And that there were at mid-1988 some 25,000 rent review applications for 250,000 units pending may potentially mean large numbers and magnitudes of retroactive rent increases in the future. Rent increases granted on applications in 1987, for instance, averaged 12.8 per cent, 2.5 times the guideline rent increase allowed as a matter of right. Thus many rents recorded in the October 1987 CMHC survey may be subject to retroactive increases.

The RHPA itself attempts to restrict renovation that might require vacant possession and, even where vacant possession is obtained as a result of tenant turnover or the RHPA, the new rents can theoretically reflect only the actual costs of the renovation prorated over time according to formulas established for depreciating various capital cost items. It can be assumed that the removal of rental units from the market, which was described above in greater detail, likely resulted in the removal of "affordable" units. This process is now curtailed to the extent that the RHPA may prevent units from being removed from the market.

3. Vacant Units and Affordability

This is not to say that the period from 1985 to 1987 saw a turn-around in the circumstances of tenants in the three market areas included in this study. Vacancy rates are at a nearly historical low: 0.1 per cent in

Toronto, 0.3 per cent in Hamilton and 1.9 per cent in Ottawa (Ontario portion).[9] The price of vacant units relative to occupied ones has increased. In 1987 in the Toronto CMA the rents of vacant units ranged from 151 to 180 per cent of rents of occupied units, depending on unit type. These per cents ranged from 118 to 136 per cent in 1985 when the vacancy rate was 0.4 per cent. In October 1987 the rent for vacant one and two bedroom apartments in the Toronto CMA was $850 and $1,005, respectively, while the rents for the same sized occupied apartments were $472 and $569. In Ottawa, which is experiencing much higher vacancy rates, the rents for one bedroom vacant apartments averaged 103 per cent of occupied ones, and the asking rents for two bedroom apartments were 107 per cent of occupied ones. These data are not available in CMHC's report for the Hamilton rental market.

4. Trends in Tenants' Incomes and Rents

The decline in "affordability" as measured above may also be associated with an increasing proportion of income which tenants now devote to rent. As is shown in Table 9 the proportion of Toronto tenants spending 30 per cent or more of their income for rent increased from 28 to 31 per cent from 1980 to 1985. The magnitudes and trends in Ottawa nearly mirror those in Toronto, while the proportion of tenants in Hamilton spending more than 30 per cent of their income on rent increased from 29 to 34 per cent of all tenant households.

Table 10 relates rents in the CMHC rental market survey with the distribution of incomes of tenants. Assuming that tenants can be expected to pay approximately 25 per cent of their gross incomes for housing, then 38 per cent of Toronto tenants would have incomes below the threshold to afford one bedroom apartments with average rents in 1981. The proportions would have been 29 and 27 per cent, respectively, in Ottawa and Hamilton in 1981.

---

[9] CMHC, Rental Market Survey, (October 1987). This survey, while not the most recent available, was used as it is associated with the most recent survey of rents.

Table 9

Trends in Income and Rent, 1980 and 1985

Market	Rent-to-Income Ratio	1980 (%)	1985 (%)
Toronto	Less than 25%	61.1	56.7
	25 - 29.9%	10.6	12.7
	30% and more	28.3	30.6
Ottawa	Less than 25%	62.9	56.8
	25 - 29.9%	9.6	12.0
	30% and more	27.5	31.2
Hamilton	Less than 25%	61.8	53.7
	25 - 29%	9.1	12.7
	30% and more	29.1	33.6

Source: Census of Canada, 1981 and 1986. NB: The Census reports incomes for the prior year.

The most recent detailed income distribution data for tenants at the metropolitan area level available from Statistics Canada are for 1985. In 1985 some 46 per cent of tenants could not have afforded the cost of an averaged price one bedroom apartment in the Toronto market. The proportions were 44 and 43 per cent, respectively, in Ottawa and Hamilton. The proportion of tenants unable to afford averaged price apartments with 25 per cent of their gross income increased considerably in all three market areas between 1981 and 1985[10].

5. Conclusion

This and the previous two sections have demonstrated the effects of trends and events in the stock and price of rental housing. The early 1980s, with declines in the number of "affordable" housing units, witnessed an overall negative effect on the plight of tenants in the three large urban centres included in this study. New laws such as the RHPA and the demands for them, were in many respects a natural result of these trends.

---

[10] Both the federal and provincial governments have informally endorsed a rent threshold of 30 per cent of income as the point at which hardship is imposed, although 25 per cent is still supported as the normal relationship between rents and incomes in public and assisted housing. Table 10 therefore contains data for the 30 per cent ratio as well.

Table 10

Average Rents, Tenant Income Distribution and Affordability, Hamilton, Ottawa, and Toronto, 1980 and 1985

Assuming Normal Rent Income Rate of 25 Per Cent

Proportion of Tenant Incomes Below Threshold for Apartments of Average Rent

	1980		
	Hamilton	Ottawa	Toronto
1 Bedroom	34	36	38
2 Bedrooms	41	45	45

	1985		
	Hamilton	Ottawa	Toronto
1 Bedroom	43	44	46
2 Bedrooms	51	51	53

Assuming Normal Rent/Income Rate of 30 Per Cent

	1980		
	Hamilton	Ottawa	Toronto
1 Bedroom	27	29	30
2 Bedrooms	34	36	37

	1985		
	Hamilton	Ottawa	Toronto
1 Bedroom	36	36	38
2 Bedrooms	43	44	45

Source: Social Planning Council of Metropolitan Toronto based on Canada Mortgage and Housing Corporation, Rental Market Survey (1980 and 1985) (Hamilton, Ottawa and Toronto) and Statistics Canada, Income Distributions by Size (Various CMAs, 1980 and 1985).

II. APPLICATIONS UNDER THE RHPA

A. SUMMARY OF APPLICATIONS UNDER THE RHPA

Applications under the RHPA from its enactment in July 1986 through June 1988 in the eight municipalities in this study covered a total of 1,728 units, the maximum number of tenant households potentially affected. Table 11 summarizes applications by status. As of June 1988 most of the applications had not been approved. Tenant households living in units affected by approved applications numbered just under 400. Redevelopment of many of the sites will eventually result in an increase of 40 units on the properties where applications have been approved, though not necessarily units affordable to low and moderate income tenants.

The biggest potential losses, 745 units in all, had been appealed to the Ontario Municipal Board or the Ontario Cabinet. Three buildings with 712 apartments, all projects proposed for condominium conversion, accounted for almost all of these appeals. The largest of them, involving 547 units, had been approved for conversion by the City of York, then refused by the OMB, and the refusal has been appealed to the Ontario Cabinet[11].

Applications involving over 410 units were still pending in June 1988. Should all of these be approved, the net loss would be 382 units. In addition to Toronto City Council's refusal of a condominium conversion application for 1 Benvenuto Place, applications involving only 13 units had been refused by local councils. Applications involving 117 units had been withdrawn, while it had been decided subsequent to application that 45 units were not subject to the RHPA. Details on some of the latter applications are sketchy, but it appears that most of these units were in buildings that were vacant or which became vacant subsequent to application.

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[11] That building was recently purchased by new owners, and it is not certain that at this time that the Cabinet petition continues to be pursued.

Roomers may have been the biggest losers, especially in the City of Toronto, where 66 rooms have been or will be removed from the stock and only 17 returned or added. An additional 57 roomers lived in apartments that were used for room rental that are proposed to be used as apartments in the future.

Table 11

Summary of RHPA Applications by Status, June 1988

	Toronto	Suburban Toronto	Hamilton	Ottawa	Total
Gross Nos.					
Approved	-165	-60	-57	-116	-398
Pending	-127	-209	0	-74	-410
Appealed	-114	-628	0	-2	-745
Withdrawn	-10	-32	-24	-51	-117
Refused	-	-	-	-13	-13
Exempt					
Not Subject	-6	0	-39	0	-45
Total	-423	-929	-120	-256	-1,728
Net Nos.[1]					
Approved	+99	0	-19	-40	40
Pending	-103	-209	0	-70	-382
Appealed	-115	-628	0	-2	-745
Withdrawn	-4	+16	-20	-51	-59
Refused	-	-	-	0	0
Exempt					
Not Subject	-6	0	-39	0	-45
Total	-121	-821	-78	-163	-1,191

Source: Ontario Ministry of Housing, June 1988.

[1] Gross numbers adjusted for new or renovated units occupying the same sites.

1. Toronto

It is in the City of Toronto that the greatest pressures have been placed on the existing housing stock. The City Planning Department estimates that over 6,000 dwellings were lost to demolition or conversion from 1976 to 1985. An additional unknown number, although at least 3,000, would have been lost to the "affordable" stock as a result of "luxury" renovation.

As at June 1988 losses of units as a result of approved RHPA applications numbered 165, while the net change for the affected properties was plus 99. Most of the beneficial impact of the RHPA in this instance stems from the construction of a 149-unit municipal non-profit housing project on a site previously containing 25 units of varying sizes and low rents.

Applications involving 127 units with a net loss of 103 units were still pending in June 1988. Some 98 of these were in one project in the northern end of the city and staff and politicians have been diligently negotiating replacement housing at similar rents for tenants of this property.

A 115-unit property at 1 Benvenuto Place was recommended for condominium conversion by the Commissioner of Planning and Development, but the recommendation was rejected by Toronto City Council following a public hearing at which many of the opponents appeared. City planners had based their recommendation on the condominium conversion policy in existence prior to the enactment of the RHPA. The application has been appealed to the OMB.

In the initial six months after enactment of the RHPA, a number of applications were approved because the applicants pursued their proposals prior to the publication of regulations under the RHPA. These applications had nevertheless to be processed under the RHPA because they were initiated subsequent to the freeze on demolitions, conversion and "luxury" renovations (requiring vacant possession) on July 10, 1986.

The primary reason given for favourable recommendations by staff or Council approval has been the lack of adverse effect on the affordable housing stock. The proposal for condominium conversion at 1 Benvenuto Place was recommended because the rents were considered "luxury". Several other projects were approved under this criteria because the properties were proposed for redevelopment for social housing.

At least three projects have been approved under criterion 2; that is, similar units in a similar location and with similar rents have been offered by or negotiated with landlords. One approval was granted for the replacement of an 18-unit rooming house by a project with 26 apartments under criterion 1. The rooming house was also vacant, but for less than a year. Vacancy for one year is the critical test applied by the City of Toronto for cases such as this, although this was altered by a ruling of a Supreme Court of Ontario justice on July 15, 1988, that all vacant units, regardless of length of time, are exempt from application of the RHPA.

2. Suburban Toronto

Applications in three suburban municipalities, Etobicoke, North York and York, were reviewed. No applications have been received or approved in East York or Scarborough. Unit losses, primarily due to condominium conversion applications, are potentially responsible for over half of the total number of units affected by the RHPA in the six municipalities with applications in this study. If eventually approved these applications account for nearly 70 per cent of the net loss of units projected.

Five of the six applications in Toronto's suburban municipalities involve condominiums, four for conversion of 805 units and one for the demolition of 31 units in Etobicoke to make way for a new condominium project. Only one of the proposals, however, has been approved as of June 1988. The conversion of the 60-unit equity co-operative project in North York was approved. The 17 tenants remaining in the building voted unanimously for approval, while 43 units were already occupied by owners. Another similar project in North York, where not all of the tenants are disposed favourably to the conversion and which was refused by City Council, is currently under appeal to the OMB. These two projects, as well as one in Scarborough which is reportedly the object of a recent prosecution by the provincial government under the RHPA, point to a problem area that needs to be attended to as new provincial policies and programs are put in place. While a 1983 amendment to the LTA prevents equity co-owners of cooperative projects from occupying their own units under the "owners own use" provision, there is pressure for this to occur in numerous instances, especially where the process of owner occupation was stopped in mid-stream by either the RHPA or amendments to the LTA.

All of the suburban approvals have been under criterion 3, following determination by the local council that the approvals would not adversely affect the supply of affordable rental housing. The OMB reversed that decision in the case of the application at 400 Walmer Road in the City of York, and apparently established new rent thresholds for determining whether units are "affordable" or not. The others, which planners and their councils acknowledge have "affordable" rents, have been approved because of their smaller size. In the case of the demolition proposal in Etobicoke, the OMB rendered its decision confirming the local Council's approval largely on this basis. That case has been appealed to the Ontario Cabinet by the remaining tenants.

3. Ottawa

Ottawa has experienced a larger number of applications than any other city in Ontario except London. Most are relatively small applications, the largest being for demolition of a building with 25 units. Only six of the 44 applications involve over 10 units. All told, Ottawa's applications potentially affect 256 units, and they would result in a net loss of 163 units. Approvals as of June 1988 affected 116 units with a net loss of 40 units.

The existence of so many applications has tested the mettle of both planners and municipal councillors. There are several key instances where Ottawa City Council has approved applications when refusal was recommended by the planners in the City Living Corporation, Ottawa's municipal non-profit housing company that administer's the RHPA for the planning department. For example, there were two proposals for conversion of units to commercial use and one severance approval where there is little doubt that the intent of the applicant is to market the "severed" row house units. Planner recommendations have been upheld in other instances.

Criterion 3 has again been the main basis for recommended approvals. However, it does not appear to be over-used, and it has also been the main basis for each recommended refusal.

Criterion 1, that a building is unfit and unsafe for human habitation, has been used as a basis for approving the demolition of several buildings, but as emphasized above, there is a risk that this criterion will be used much more frequently. Several approvals under criterion 3 involved renovation applications where the landlord did not in the end require vacant possession, although rent increases may prove problematic for the existing tenants in these buildings. Criterion 3 was used in the case of a number of severances where the resulting "severed" buildings will still be covered under the RHPA.

Criterion 2 has been used more often in Ottawa than in any other location. However, the ultimate effect on tenants is yet to be determined. Council has approved demolitions on condition that the landlord offer similar units in the same area at the same or similar rents, but there is one indication that offers have not always been acceptable to tenants. There is some doubt in a few instances if landlords will be compelled to perform once the RHPA certificate is issued. And in some cases there still appears to be a transition problem for the tenants of buildings to be demolished.

As its population is under 25,000 the City of Vanier is exempted from coverage by the RHPA, and no tenant interviews were conducted in Vanier.

4. Hamilton

Eleven applications involving a loss of 120 units were received in Hamilton. A net loss of 78 units, all but a small number with rents considerably less than Hamilton's average, is projected. No applications have been refused thus far by City Council, although four were either withdrawn, one because use was made of the Low Rise Rental Housing Rehabilitation Program, or declared exempt as a result of vacant possession.

A policy rift between Hamilton's planning department and City Council seems to have developed during the course of the two years of administering the RHPA. On at least four occasions City Council has approved applications where planners had recommended refusal because carrying out the applications would have an adverse effect on the supply of affordable housing. One application was for the demolition of a 25-unit building with one and two bedroom apartments renting for under $200 monthly, although when opposition developed and sympathy for the tenants began to materialize the landlord offered to stay demolition for one year and provide the tenants with assistance in locating replacement housing. In this case, as in the others, Council has not disagreed with the planning department's conclusions vis-a-vis impact on the supply of affordable housing. They seem to have concluded that the planning and community benefits from the proposals in applications exceeded the costs in the loss of affordable housing stock. In other words, the mandatory criteria have been used as optional criteria in practice, contrary to the intent of the RHPA.

B. USE OF THE MANDATORY CRITERIA BY THE SIX MUNICIPALITIES

1. Unfit and Unsafe for Human Habitation

In spite of the temptation that is potentially posed by this criterion for landlords to allow their buildings to fall into disrepair so that their applications might qualify for approval for demolition or renovation by reason of being unfit and unsafe for human habitation, there is little indication of much misuse of this criterion thus far. Given adequate local property standards and by-law enforcement there should be little cause for such events to occur. There is currently a far greater tendency for landlords to vacate their buildings and to thus make them exempt from the

RHPA. Criterion 1 has been used most often in the case of approving the demolition of "derelict" buildings. Most were vacant for some period of time, or at least over one winter.

The several cases where criterion 1 has been used, however, do illustrate the primary problems with it. When is a building unfit and unsafe for human habitation? In many of the cases reviewed the criterion was judged on the basis of whether required repairs were too expensive to justify the investment in the building at hand. This was nearly always the case in Ottawa. In Toronto planners have addressed this issue of whether a building is "unsafe and unfit for human habitation", and have generally concluded that it would not be used to justify an approval simply because the cost of bringing building standards to code is high.

2. Provision of Similar Housing at Similar Rent in Area

While the terms "similar housing" and "similar rent" have not been defined in the RHPA or regulations under it, this criterion is potentially the most satisfactory. If tenants must be displaced, if better use is to be made of underdeveloped land, and if deteriorating housing is to be upgraded, tenants' interests are best served by similar housing with similar rents in the same area. The City of Toronto has defined "similar rents" as being not more than 10 per cent greater than existing rents. The City of Ottawa has defined "similar rents" as the same rents in the conditions which they have imposed on landlords.

Nevertheless there is potential for tenants' interests not to be so well looked after. In one case of a property with low rents in Toronto, replacement housing under criterion 2 was agreed to by a landlord but negotiation between the landlord and tenants broke down. The landlord was unable to present suitable alternatives to the tenants. Eventually the landlord had enough vacant units that he renovated the building by shifting tenants between units. Many of the tenants, all with low incomes, felt that they had no choice but to live with the situation.

In several examples in Ottawa similar conditions have been imposed, but the landlord need only offer similar units. If tenants turn them down the landlord seems to be under no further obligation to attempt to satisfy the housing needs of the tenants.

3. No Adverse Effect on the Supply of Affordable Housing

Criterion 3 has been used as a basis for over 70 per cent of the applications. Being less precise, it is obviously less restrictive and more open to interpretation and judgement than the other two mandatory criteria. Its use in some cases appears to be wholly justified. It has been used as a basis for the recommendation of approvals of severances when the resulting properties will continue to have five or more units and are thus still covered by the RHPA.[12]

Its use in other instances is more open to question. Its most questionable use has been to justify the approval of applications because they are small. The most notable of these was in the City of Etobicoke, where a 31-unit property was approved for demolition because the tenants could probably find housing elsewhere. Research at the time by planning department staff showed that there were only three vacant units within 1,500 meters of the site, and the CMHC survey at the time indicated that there were less than 31 vacant units in all of Etobicoke regardless of rent levels.

In the City of Toronto criterion 3 has been used by planners to justify approvals of rooming house transformations to apartments on the ground that the resulting rent per room and per meter will not differ substantially from existing rents. While true, this does not enable a person paying $300 monthly for a room to pay $900 for a three room apartment. The rent in both cases is $300 per room, but the roomer can afford the former and not the latter.

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[12] New regulations under the RHPA will make it unnecessary to submit applications in these cases in the future.

III. EFFECTS ON TENANTS

A. Methodology And Rationale

1. Introduction

This section of the report concerns itself with the effects on tenants of condominium conversion, building demolition, renovation and other activities causing displacement. In doing so, it employs a variety of survey research methods to assess the degree to which past or pending displacement causes hardships for tenants. Ideally, such research would involve the use of random sampling techniques to ensure statistical validity. Unfortunately, both the nature of the survey population and the unusually short time frame for completing this report made consistent use of random sampling techniques unworkable.

The proposed research methodology consisted of the following four elements:

- a telephone survey of tenants already displaced from a rental unit through activities covered by the RHPA, as well as those not covered or illegally carried out;
- a telephone survey of tenants facing the prospect of displacement from a rental unit covered by the RHPA, as well as those not covered or where illegal activities are occurring;
- more in depth face-to-face case study interviews with tenants in a variety of situations in order to more fully document their experiences in coping with displacement; and
- a limited number of focus group discussions to review the experiences of tenants, both individually and collectively, in dealing with the situations in particular buildings.

Initial plans called for the completion of approximately 300 telephone interviews, divided about equally between those tenants who had already been displaced and those facing displacement. Of these, about two-third's were to be conducted in Metro Toronto, with the other third taking place in either Hamilton or Ottawa-Carleton. With an anticipated response rate of 35 to 40 per cent, this translated into the need to make contact with 700 to 800 households.

The telephone surveys sought responses on matters relating to housing type, condition, length of tenure, rents and household incomes, attitudes regarding future accommodation, and the actual or anticipated effects of dislocation on friendships, quality of housing, rent levels, as well as access to shopping, transportation, and services.

In addition to the two larger surveys, 15 to 20 case study interviews and 3 or 4 focus group discussions were planned in Metropolitan Toronto. These were designed to elicit deeper, more diffuse and subjective data to add richness to the more readily quantifiable data from the larger surveys. It was anticipated that many of the case studies would be drawn from among the respondents participating in the larger surveys.

2. Approach

The primary challenge in carrying out the two larger surveys was in identifying and contacting displaced tenants. It was anticipated that contacting tenants facing displacement would be much simpler, particularly in the case of buildings for which an application had been made under the RHPA, since applicants must provide a complete list of current tenants as of the date of application.

It was recognized at the outset that locating and making contact with previously displaced tenants would prove to be a difficult and time-consuming, if not practically impossible, task. In the case of buildings for which an application had been made under the RHPA, the lists of current tenants at date of application were expected to provide an excellent starting point for tracking down recently displaced tenants.

Tenants federations, community legal clinics engaged in landlord-tenant law, and members of individual tenants associations were seen as important additional sources of information. They were asked to provide current or recent lists of tenants in the buildings under review. These lists were further supplemented by searches through both telephone and street directories in efforts to both develop as comprehensive a list of previous tenants as possible and to trace the movement of tenants after they were displaced.

An early disappointment concerned the completeness and quality of the lists of tenants provided with RHPA applications. In most instances these lists were either fragmentary or non-existent, and many of the tenants listed, even in applications only a few months old, were often found to no longer reside in the unit. Getting reliable lists of tenants through tenants groups or community legal clinics also proven difficult for two reasons. First, the lists provided by tenant groups were generally one to two years old, and produced few if any contacts. Second, the community clinics were generally reluctant to provide lists of tenants or contacts with whom they had worked for reasons of maintaining client confidentiality.

Due to these difficulties, random sampling techniques were limited to those buildings with tenants facing displacement for which fairly complete lists of tenants were supplied or could be created through use of directories. In such instances, one in every n tenant households was contacted (with n varying between 2 and 6 depending on the number of units in the building). In most other cases, and in all situations involving previously displaced tenants, all identified and located tenants were contacted to participate in the surveys.

It became clear early on that the goal of securing 150 interviews with previously displaced tenants was simply not achievable within the available time period. Tracing and making contact with displaced tenants proved especially difficult. The tracking process was repeatedly slowed by the absence of any reliable information regarding tenants recent addresses or phone numbers. Some 37 interviews with displaced tenants took place in Metro Toronto, and the number for the three municipalities combined was 60.

On a more positive note, in Metropolitan Toronto alone about 100 interviews with tenants facing displacement took place. The final number of completed interviews with this group of tenants, including those from Ottawa and Hamilton totalled 123, only slightly below the initial target of 150 completed surveys.

Overall, the total number of tenants surveyed in Metropolitan Toronto was 141 or approximately 70 per cent of the initial target of 200. The shortfall was entirely the result of difficulties in tracing displaced tenants. In both Ottawa and Hamilton, the results were more fragmentary. Only about 40 per cent of the combined target of 100 completed surveys from the two municipalities was achieved.

It is not possible to provide a complete picture of the sample frame from which respondents were selected and traced. Research staff in Toronto were working with a sample frame of about 730 names in the two survey groups, potential tenant contacts which they attempted to trace. The two groups cannot be demarcated clearly, as it often occurred that tenants who were thought to be facing displacement because the RHPA application was still pending or the authorized actions had not yet occurred were found to have been already displaced because they left the building prior to the final outcome. Of these 377 were traced, resulting in the 141 interviews, 71 refusals (including many co-owners in equity co-op buildings) and 270 non-responses.

Even locating these recently displaced tenants proved to be difficult. Only five to ten per cent of departed tenants in this group were successfully traced by project staff over a three week period. The Ottawa experience was similar. Completed interviews of tenants facing displacement numbered 14, and 16 already displaced tenants agreed to be interviewed. Twelve successfully located persons refused to be interviewed for one reason or another. Altogether, 42 tenants from an initial list of 240 were successfully located during the period of the study.

Two focus group discussions were held in Metropolitan Toronto. Twenty-three case studies of tenants and their situations were undertaken, six in Ottawa and seventeen in Metropolitan Toronto.

B. TENANTS FACING DISPLACEMENT

This section includes data sets from the survey of tenants facing displacement for each of the three municipalities involved in the research project. The analysis which follows includes data relating to 123 cases. Due to the very small numbers of respondents from the Ottawa and Hamilton areas, it has not been possible to disaggregate data pertaining to each municipality.

1. Activity And Building Type

As both Table 12 and Chart 3 reveal, among this survey group tenants facing displacement due to condominium conversion applications were easily the largest group at 33 per cent. Demolition applications accounted for another 19 per cent, making tenants facing these two types of applications more than half of the total households affected. No other application type exceeded 10 per cent. Among the 123 respondents, 70 per cent were facing applications made under the RHPA while 30 per cent were dealing with a situation not covered by the Act or an illegal activity of some kind.

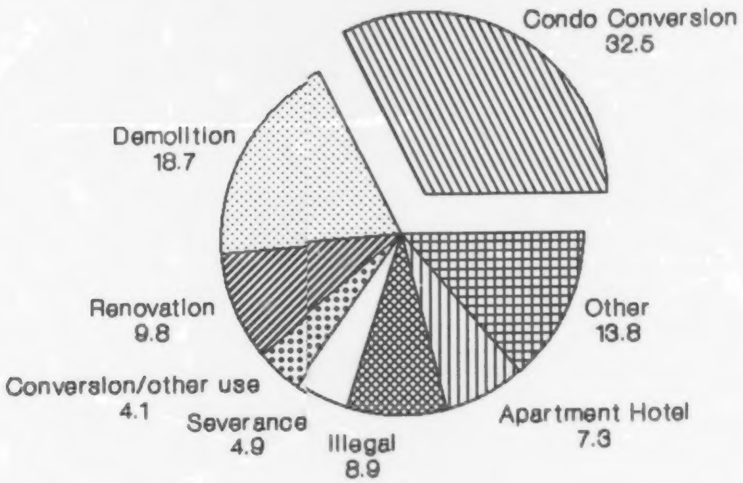
More than 60 per cent of all affected households live in apartment buildings of four or more stories in height, with 38 per cent living in high-rise units of 10 storeys or more. About 37 per cent of those surveyed were

Table 12

Tenants Facing Displacement By Type Of Application

Application Under RHPA	%	No.
Condominium Conversion	33	40
Building Demolition	19	23
Renovation & Repair	10	12
Conversion To Other Use	4	5
Severance Of Lot	5	6
Sub-Total	70	86
Not Applied For Under RHPA	**%**	**No.**
Illegal Activity	9	11
Apartment Or Suite Hotel	7	9
Other Activity	14	17
Sub-Total	30	37
Total	100	123

Chart 3: Tenants Facing Displacement (by type of application)



N = 123

aware of at least one other occasion in which tenants in their building had faced the threat of displacement as a result of landlord plans for their buildings.

When application type and building type are looked at together, some clear differences emerge. As Table 13 shows, while applications for condominium conversion are primarily for medium and high rise apartments, applications for building demolition and renovation and repair are primarily for older, low and medium-rise buildings.

Table 13

Type of Application By Type of Building

Type of Application	Unit In House		Low-Rise Apartment		Med-Rise Apartment		High-Rise Apartment		All Other	
	%	No.	%	No.	%	No.	%	No.	%	No.
Condo Conversion	5	2	10	4	23	9	60	24	3	1
Building Demolition	17	4	57	13	17	4	0	0	8	2
Renovation & Repair	25	3	33	4	25	3	0	0	17	2
Conversion To Other Use	40	2	40	2	20	1	0	0	0	0
Severance Of Lot	50	3	33	2	0	0	0	0	17	1
Illegal Activity	9	1	18	2	64	7	9	1	0	0
Apartment/Suite Hotel	0	0	0	0	33	3	67	6	0	0
All Others	0	0	0	0	6	1	94	16	0	0
Total	12	15	22	27	23	28	38	47	5	6

2. Household Characteristics

The respondents are made up predominantly of one and two person adult households without children. As Table 14 indicates, 39 per cent of respondents were between 25 and 39 years of age, 29 per cent were between forty and sixty-four, and 23 per cent were aged sixty-five or over. Only nine per cent of respondents were under age 25. Only 16 per cent of households had children in them.

Full-time employment provides the major source of income for 63 per cent of those surveyed, with another 17 per cent identifying pension income as their major income source. No other source accounted for even five per cent. Nearly one in three respondents stated that their household income was less than $20,000/year, and another 22 per cent had incomes of between $20,000 and $30,000/year. In terms of income distribution, this pattern roughly mirrors that of the larger tenant population. Due to the income profile of two of the larger condominium conversion projects, about 30 per cent of those responding indicated incomes of $40,000/year or more.

Table 14

Household Characteristics of Respondents

Age Of Respondent	%	No.
Under 25	9	10
25 to 39	39	47
40 to 64	29	35
65 and Over	23	28

Number Of Children	%	No.
None	84	102
One	7	8
Two	8	10
Three	1	1

Level Of Income	%	No.
Under $20,000	32	34
$20,000 to $29,999	22	23
$30,000 to $39,999	15	16
$40,000 and Over	31	32

Major Source Of Income	%	No.
Full-Time Employment	63	74
Part-Time Employment	8	10
Pension Income	17	20
General Welfare/Family Benefits	3	4
Unemployment Insurance	3	3
All Other Sources	6	7

3. Characteristics Of Building And Unit

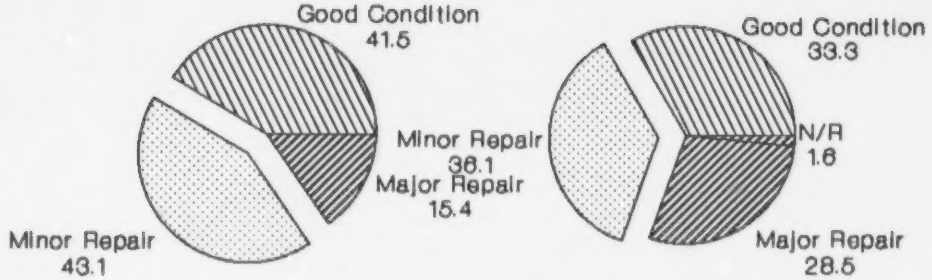
As Table 15 and Chart 4 indicate, only about one-third of those surveyed felt that the physical condition of their building as a whole could be described as good. About 37 per cent felt the building needed minor repairs, while 29 per cent felt that it needed major repairs. Turning their attention to their own individual units, tenants generally saw these as being in need of less corrective maintenance and repair. Only 15 per cent of respondents felt that their unit needed major repairs, with another 43 per cent seeing the need for minor repairs. Approximately 40 per cent of respondents believed that the maintenance and condition of their unit had been allowed to deteriorate during the time in which they have occupied it.

Table 15

Unit and Building Condition

Condition	Unit		Building	
	%	No.	%	No.
Good Repair	42	51	33	41
Needs Minor Repair	43	53	37	45
Needs Major Repair	15	19	28	35
N/R	0	0	2	2
Total	100	123	100	123

Chart 4: Unit and Building Condition
Tenants Facing Displacement



Unit Condition

Building Condition

N = 123

Table 16 examines type of application in relation to responses concerning the condition of the unit. Only 25 per cent of those living in units for which an application for renovation and repair exists felt that their unit was in good condition. Fully half of such cases saw their unit as being in need of major repairs. About 70 per cent of those facing displacement due to building demolition felt their unit was in need of either major or minor repairs.

Even among those living in buildings for which a condominium conversion application had been made, 53 per cent felt their unit was in need of at least minor repairs. This raises an issue about the nature and extent of maintenance charges which might be incurred by future purchasers if and when conversion of the units should be approved.

Table 16
Unit Condition By Application Type

Application Type	Unit Condition							
	Good Repair		Needs Minor Repair		Needs Major Repair		TOTAL	
	%	No.	%	No.	%	No.	%	No.
Condo Conversion	47	19	50	20	3	1	100	40
Demolition	30	7	48	11	22	5	100	23
Reno & Repair	25	3	25	3	50	6	100	12
Illegal Activity	55	6	45	5	0	0	100	11
Apartment/Suite Hotel	67	6	33	3	0	0	100	9
All Others	36	10	39	11	25	7	100	28
Total	41	51	43	53	15	19	100	123

Table 17 reviews type of application and responses concerning deterioration in the condition of individual units. It demonstrates that demolition and renovation cases have a much higher incidence of allowing the condition of units to deteriorate than do other types of applications. While 63 per cent of respondents living in units with demolition or renovation applications felt the condition of their units had deteriorated, only 31 per cent of respondents in all other situations combined felt deterioration had occurred during their occupancy.

Table 17

Application Type By Deterioration in Unit Condition

Application Type	YES		NO		TOTAL	
	%	No.	%	No.	%	No.
Condominium Conversion	35	14	65	26	100	40
Building Demolition	57	13	43	10	100	23
Renovation & Repair	75	9	25	3	100	12
Conversion To Other Use	60	3	40	2	100	5
Severance Of Lot	33	2	67	4	100	6
Illegal Activity	27	3	73	8	100	11
Apartment/Suite Hotel	0	0	100	9	100	9
All Others	35	6	65	11	100	17
Total	41	50	59	73	100	123

The vast majority of households facing displacement live in units which are at least thirty years old. About a third live in housing built prior to 1945, while only four live in units which were constructed since 1975. The major facilities available within these buildings are summarized in Table 18. More than 80 per cent of units have tenant parking available, with 36 per cent having access to garage parking. Nearly 80 per cent of respondents have access to a laundry room, and slightly more than half have an elevator in their building. No other facilities were present in more than 25 per cent of cases.

Table 18

Tenants Facing Displacement By Facilities Available

Type Of Facility	YES		NO		TOTAL	
	%	No.	%	No.	%	No.
Tenant Parking	83	102	17	21	100	123
Garage Parking	36	44	64	79	100	123
Laundry Room	78	96	22	27	100	123
Elevator(s)	53	65	47	58	100	123
Swimming Pool	23	28	77	95	100	123
Party/Meeting Room(s)	17	21	83	102	100	123
Exercise Room	14	17	86	106	100	123

4. Present Tenancy Situation

The data contained in Table 19 show clearly that most of the respondents to this survey have lived in their present unit and in their neighbourhood for many years. Only one in four tenants have lived in their unit for less than three years, while 55 per cent have lived there for more than five years. About one in four tenants have resided in their present unit for more than ten years.

Table 19

Length of Tenure, Present Unit and Neighbourhood

Length of Tenure	In Present Unit		In Neighbourhood	
	%	No.	%	No.
Less Than 3 Years	5	31	15	19
Between 3 - 5 Years	20	24	20	24
Between 6 - 9 Years	30	37	14	17
10 Years Or More	25	31	51	63
Total	100	123	100	123

Respondents were even more strongly attached to the neighbourhood in which their present unit is located. About two-thirds had lived in the neighbourhood for at least five years, and more than half had lived in the area for ten years or more. This finding suggests strongly that tenants facing displacement are primarily stable, long-time residents.

The distribution of units by bedroom count among survey respondents is not that dissimilar to the pattern one would expect to find among tenants in the general population. The largest single group, 44 per cent, occupy one-bedroom apartments, with another 34 per cent living in two-bedroom apartments. The breakdown of units by bedroom count, including a comparison with the actual distribution in Metropolitan Toronto, appears in Table 20.

Table 20

Tenants Facing Displacement, Unit Size By Bedroom Count

Size of Unit	From The Survey		Actual Distrib.*	
	%	No.	%	No.
Bachelor	10	12	9	16,414
One Bedroom	44	54	42	76,111
Two Bedrooms	34	42	37	67,970
Three+ Bedrooms	8	10	8	15,473
All Other	4	5	-	-
Total	100	123	-	-

*Source: Canada Mortgage and Housing Corporation, Rental Market Survey, Oct. 1987.

5. Attitudes About Present Accommodation

Among those facing displacement due to renovation and repair activity, less than half indicated an interest in moving back into the building once the work is completed. Even among those with such an interest, only one respondent was willing to pay more than $600/month in rent in order to do so. Those with no interest in returning to their unit cited higher rents and dissatisfaction with the building or landlord as the major reasons for this.

Among those facing displacement for other reasons, 86 per cent indicated that they would have liked to stay in the building had the events threatening them with displacement not occurred. Table 21 seeks to determine tenant support for various options concerning building conversion. It shows that there is roughly equal support for converting to a non-profit or co-op housing project where tenants remain in their units, and conversion to condominium where tenants can remain as renters for a specified term, indicating that tenants' primary objective is simply to stay where they are. In each case, roughly 75 per cent of those surveyed found this option acceptable. On the other hand, barely 20 per cent said that they would definitely consider purchasing a unit if their building converted to condominium. Another 12 per cent indicated that they might consider this option if the sale price of the units were low enough. These data are also displayed graphically in Chart 5.

Table 21

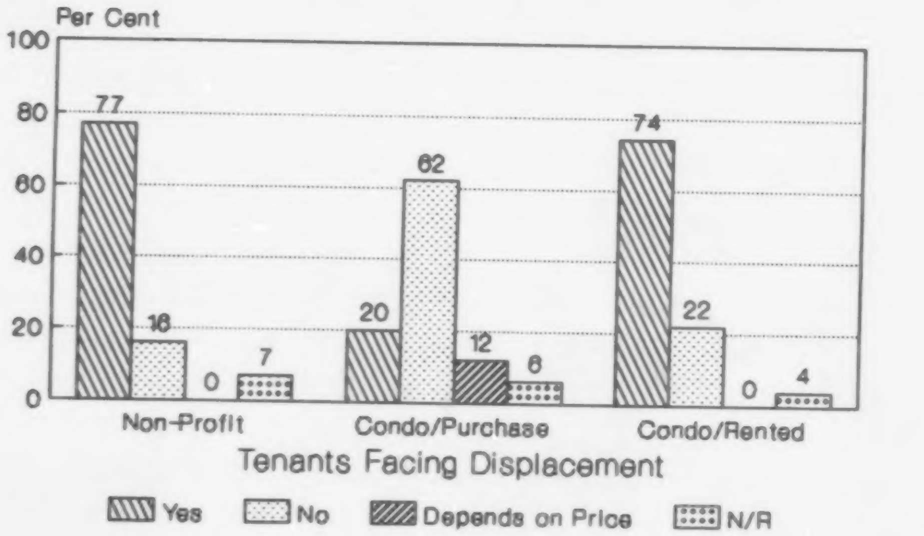
Willingness of Tenants to Consider Various Building Conversion Options

Conversion Option	YES %	NO %	DEPENDS %	N/R %	TOTAL %
Building Purchased As Non-Profit Housing	77	16	0	7	100
Building Converts To Condo, You Purchase Unit	20	62	12	6	100
Building Converts To Condo, You Stay As Renter	74	22	0	4	100

Guarantees Of Security Of Tenure Required	YES %	NO %	TOTAL %
Protection Of Rent Review	92	8	100
Strict Enforcement Of Maintenance	87	13	100
Penalties For Landlord Harassment	69	31	100

Chart 5: Building Conversion Options

Willingness of Tenants to Consider



N = 126

Of the respondents indicating that they could support condominium conversion if they were permitted to remain as tenants, about half would be satisfied with a lease term of between one and three years, while another 24 per cent would require a lifetime lease, and the remaining 26 per cent were looking for something in between. Asked what assurances of security of tenure they would require, 92 per cent cited the protection of rent review legislation; 87 per cent mentioned strict enforcement of maintenance and building conditions; and nearly 70 per cent cited the need for serious penalties for landlords who harass renting households in condominium projects.

Table 22 examines how tenant attitudes regarding these same building conversion options varies by type of application. It demonstrates clearly that those tenants who are already threatened by the prospect of a condominium conversion application respond differently to those living in other situations.

Less than two-thirds of those facing condominium conversion applications were willing to consider having their building purchased by a non-profit housing group. By contrast, between 80 and 90 per cent of tenants in other situations supported this option. Excluding condominium conversion applications, non-profit conversion was the preferred option among tenants facing displacement. In fact, all tenants facing a building demolition or some form of illegal activity, who expressed an opinion, supported this option.

One-third of tenants facing a condominium conversion application would definitely consider purchasing their unit, and about half are prepared to consider it depending on the price. Among tenants facing other situations only about one in eight said they would definitely consider purchasing their unit, and slightly less than one in four are willing to do so depending on the asking price. Finally, the proportion of tenants willing to remain in a converted condominium as tenants varies from a high of 82 per cent for those living in such buildings, to a low of 59 per cent for tenants in building demolition or illegal situations.

Table 22

Willingness of Tenants to Consider Conversion Options, by Type of Application

Conversion Option: Building Purchased As Non-Profit Housing

Type Of Application	YES %	NO %	DEPENDS %	N/R %	TOTAL %
Condominium Conversion	64	28	0	8	100
Demolition Or Illegal	89	0	0	11	100
All Other Cases	82	15	0	3	100

Conversion Option: Building Converts To Condo, You Purchase A Unit

Type Of Application	YES %	NO %	DEPENDS %	N/R %	TOTAL %
Condominium Conversion	33	44	15	8	100
Demolition Or Illegal	15	59	15	11	100
All Other Cases	9	85	6	0	100

Conversion Option: Building Converts To Condo, You Stay As Renter

Type Of Application	YES %	NO %	DEPENDS %	N/R %	TOTAL %
Condominium Conversion	82	15	0	3	100
Demolition Or Illegal	59	30	0	11	100
All Other Cases	76	24	0	0	100

n = 100

6. Plans In Seeking Future Accommodation

As Table 23 reveals, the responses to these questions were influenced by the view of many of the surveyed tenants that they would be permitted to remain in their present housing. More than half of respondents felt this option was available to them. As a consequence, only 41 per cent indicated they would seek other private rental housing, 13 per cent would seek some form of non-profit housing, while eight per cent planned to move back into their unit after renovations and seven per cent planned to purchase a house or condominium unit.

Table 23

Plans in Seeking Future Accommodation

Future Accommodation	Frequency Distribution	
	%	No.
Do Not Have To Move	55	66
Private Rental Housing	41	49
Non-Profit or Co-op Housing	13	15
Buy A House or Condominium	7	8
Move Back To Unit After Repairs	8	10
Landlord Finding Alternative Unit	8	9

The reasons why particular tenants chose one option over another are summarized in Chart 6. For those who plan to continue renting, the fact that they cannot afford to purchase was the predominant reason for 78 per cent. One in three respondents also mentioned fewer maintenance responsibilities and rent review protection as factors in their decision. Among those seeking non-profit housing, the fact that they cannot afford to purchase was the only factor mentioned by a majority of respondents. About half also mentioned long-term security of tenure and increased disposable income as factors. Finally, those planning to purchase indicated the fact that they could now afford to do so and the security of tenure that ownership provides as the main reasons.

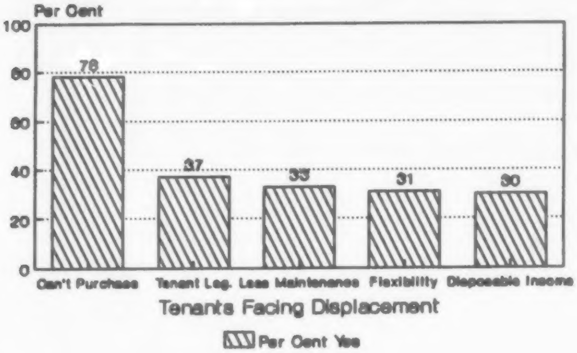
Respondents were also asked to identify which features are the most important in making choices about future accommodation, and to compare their expectations of the characteristics of their next unit with those found in their current unit. These answers are summarized as Table 24.

In terms of what tenants value in their housing, its cost and physical condition were clearly most important. Only two factors, distance from schools/day care and distance from a doctor/dentist were seen as unimportant.

Respondents' expectations regarding what may be available in the marketplace, on average, anticipate that the next place of residence will be slightly worse than the present one with higher rent being the primary reason. On only two factors was there a significant departure from this

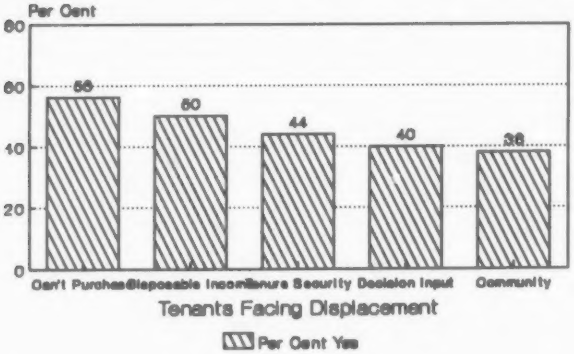
CHART 6

Chart 6A: Reasons for Tenure Choice
Among Those Continuing To Rent



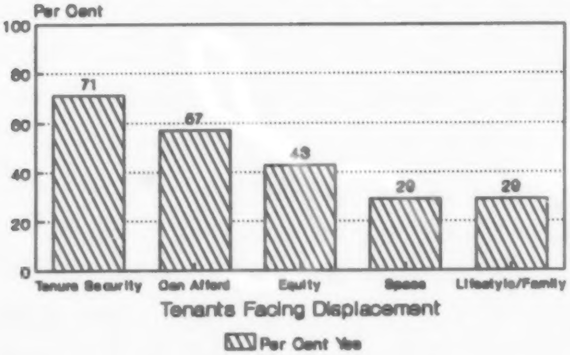
N = 114

Chart 6B
Among Those Seeking Non-Profit Housing



N = 16

Chart 6C
Among Those Considering Home Purchase



N = 7

trend. Nearly two-thirds of respondents expected that their next place would be more costly. About 60 per cent expected that it would be in better physical condition.

Table 24

Factors Influencing the Choice of Accommodation

List of Factors	Very Important %	Less Important %	Not Important %
Amount Paid For Shelter	84	13	3
Physical Condition Of Unit	76	22	3
Access To Transportation	61	23	16
Same/Similar Neighbourhood	58	36	7
Size/Suitability Of Unit	56	40	4
Distance To Shops/Services	50	39	11
Distance From Work	50	19	30
Distance From MD/Dentist	19	25	55
Distance To Schools/DayCare	14	13	73

In Comparison To Your Present Unit
What Do You Expect To Find?

List Of Factors	Better %	Same %	Worse %
Amount Paid For Shelter	16	19	65
Physical Condition Of Unit	61	30	9
Access To Transportation	10	63	27
The Neighbourhood	21	57	22
Size/Suitability Of Unit	21	48	32
Distance From Shops/Services	15	60	26
Distance From Work	14	58	28
Distance From MD/Dentist	16	62	22
Distance From Schools/DayCare	12	56	33

7. Future Home Buying Intentions

The survey also attempted to identify the future intentions of respondents concerning home ownership. Less than 30 per cent of households surveyed anticipated that they will ever purchase a house or condominium. This includes the seven per cent of respondents who previously indicated that they have immediate plans to seek ownership housing. Among the remaining 23 per cent, about 10 per cent anticipated a move to ownership housing in less than five years while 13 per cent see home ownership as something in the more distant future.

Table 25 reviews the comments of respondents about their future home buying plans in terms of maximum purchase prices, the size of downpayment they could manage and the maximum monthly payments they could manage. These responses are quite revealing. In terms of the purchase price of a home, only 17 per cent would be willing to pay more than $200,000, while 63 per cent specified an amount of $150,000 or more. Fully one in four indicated a maximum of $100,000 or less.

Table 25

Future Homebuying Plans of Respondents

Never Plan To Purchase		YES Immediately		YES In The Future		TOTAL	
%	No.	%	No.	%	No.	%	No.
71	84	7	8	23	27	100	119

What Is The Maximum Price You Are Willing To Pay?

Price Range	%	No.
$100,000 or less	26	7
More than $100,000	74	20
More than $150,000	63	17
More than $200,000	19	5
More than $250,000	0	0

What Downpayment Could You Manage?

Dollar Range	%	No.
$10,000 or less	26	7
More than $10,000	74	20
More than $20,000	63	17
More than $30,000	33	9
More than $40,000	19	5

What Are The Maximum Monthly Payments You Could Manage?

Dollar Range	%	No.
$800 or less	23	6
More than $800	77	20
More than $1,000	46	12
More than $1,200	31	8
More than $1,500	19	5

Only one-third of respondents felt that they could manage a downpayment of more than $30,000. It should also be noted that those tenants planning to buy a home within the next five years were the least likely to project a realistic downpayment level. Only 18 per cent anticipated that they could afford a downpayment of more than $30,000. Turning to monthly carrying costs, fully 54 per cent of those planning to buy a home felt they could manage no more than $1,000/month and only 19 per cent felt they could handle monthly payments of more than $1,500.

Putting these three sets of numbers together makes it clear that the vast majority of these potential homebuyers would need to purchase a home for between $100,000 and $140,000, if their responses regarding size of downpayment and maximum monthly payments are to be taken seriously. In the Toronto and Ottawa housing markets, the availability of quality housing in this price range is extremely limited. For example, data on resale homes in the Toronto housing market for June 1988 indicates that only 13 per cent sold for $140,000 or less, and this figure drops to 2 per cent if condominiums are excluded.

Table 26 relates tenant home buying intentions, including those who would consider purchasing a condominium unit in their building were a conversion to occur, with tenant incomes. It reveals that tenants with household incomes of less than $40,000 are much less likely to consider the option of condominium purchase than are higher income households. Among higher income tenants, 31 per cent said they would think about purchasing a unit; another 17 per cent said it would depend on the price, while 45 per cent rejected the idea completely. Among tenants with incomes of between $20,000 and $39,999, only 12 per cent said that they would definitely consider it; another 15 per cent said it would depend on the price, while two-thirds rejected the idea. Among the lowest income tenants, 83 per cent rejected this option outright, and only 13 per cent said they would definitely consider it.

Table 26

Household Income and Intention to Purchase a Condominium Unit

Household Income	No	Yes	No	Depends	N/R	Total
	%	%	%	%	%	%
Under $20,000	23	13	83	4	0	100
$20,000 to $39,999	33	12	67	15	6	100
Over $40,000	29	31	45	17	7	100
Non-Response	15	27	53	7	13	100
Total	100	20	62	12	6	100

8. Tenant Incomes, Rent Levels And Other Factors

This section examines how a variety of other factors change in relation to either the rent level of units or the income level of tenants. As Table 27 demonstrates, the majority of tenants in the affected buildings are housed in units with below average rents. Nearly one in four tenant households have rent levels below $400/month, and 58 per cent have rents of less than $500/month. Only 27 per cent of units surveyed had current rents in excess of $600/month.

The average rent of respondents was $567, or about six per cent higher than the average rent in Metropolitan Toronto in 1987 of $533, as derived from the CMHC market survey for October 1987. This reflects a skewing of the distribution as a result of the impact of the roughly 15 per cent of units renting for more than $800/month, most located in buildings with condominium conversion applications.

There is a strong correlation between income level and rent level. While 95 per cent of tenant households with incomes of less than $15,000/year are paying below $500/month in rent, only 34 per cent of tenant households with incomes over $40,000 are paying less than this amount. Among tenant households with incomes below $20,000/year, only nine per cent were paying more than $600/month in rent. The proportion increases to 67 per cent with reference to household incomes of $40,000/year or more.

Table 27

Rent Level By Tenant Income

Household Income	Rent Level ($) Less Than 400		400 to 499		500 to 599		600 and Over		Total	
	%	No.	%	No.	%	No.	%	No.	%	No.
Under $15,000	65	13	30	6	0	0	5	1	100	20
Under $20,000	17	2	50	6	17	2	17	2	100	12
$20,000 to $29,999	19	4	38	8	24	5	19	4	100	21
$30,000 to $39,999	13	2	37	6	19	3	31	5	100	16
$40,000 and Over	7	2	27	8	17	5	50	15	100	30
Total	23	23	34	34	15	15	27	27	100	99

Among tenant households willing to give information regarding their incomes, about one in five had incomes below $15,000/year, and nearly one-third had incomes of less than $20,000/year. More than half had incomes below $30,000/ year. On the other hand, 30 per cent of those surveyed had incomes which exceeded $40,000/year.

Tables 28 and 29 examine types of applications in relation to rent levels of affected units and tenant incomes. The data in Table 28 strongly suggest that the vast majority of buildings affected by the RHPA, as well as many illegal activities and those situations not covered by the Act, involve units renting for less than $500/month. Only condominium conversion applications represent a significant departure from this pattern.

For units facing renovation and repair applications, 55 per cent were renting for less than $400/month, and 82 per cent for under $500/month. More than two-thirds of units involving a demolition application were renting for less than $500. By contrast, only 16 per cent of units facing condo-condominium conversion applications rented for less than $500/month, and fully 70 per cent rented for more than $700/month.

Given the strong relationship between incomes and rent levels cited previously, it is hardly surprising that this pattern repeats itself with regard to tenant incomes. With the exception of condominium conversion and lot severance situations, between 60 and 80 per cent of affected units in all other cases were occupied by tenants with incomes of less than $30,000. By contrast, 57 per cent of tenants in units threatened by condominium conversion had household incomes in excess of $40,000/year.

Table 28

Application Type By Rent Level

	Rent Level ($)									
Type of Application	Less Than 400		400 to 499		500 to 599		600 and Over		Total	
	%	No.	%	No.	%	No.	%	No.	%	No.
Condominium Conversion	3	1	13	4	13	4	70	21	100	30
Building Demolition	36	8	32	7	23	5	9	2	100	22
Renovation & Repair	55	6	27	3	9	1	9	1	100	11
Conversion/Other Use	20	1	60	3	0	0	20	1	100	5
Severance Of Lot	33	2	17	1	33	2	17	1	100	6
Illegal Activity	19	2	55	6	9	1	19	2	100	11
Apartment/Suite Hotel	43	3	57	4	0	0	0	0	100	7
All Other Cases	12	2	53	9	19	3	19	3	100	17

n = 109

Table 29

Application Type By Income Level

	Income Level ($)									
Type of Application	Less Than 400		400 to 499		500 to 599		600 and Over		Total	
	%	No.	%	No.	%	No.	%	No.	%	No.
Condominium Conversion	20	6	7	2	17	5	57	17	100	30
Building Demolition	36	8	27	6	23	5	14	3	100	22
Renovation & Repair	60	6	20	2	20	2	0	0	100	10
Severance Of Lot	33	2	0	0	0	0	67	4	100	6
Illegal Activity	45	5	0	0	9	1	45	5	100	11
Apartment/Suite Hotel	38	3	38	3	25	2	0	0	100	8
All Other Cases	22	4	56	10	6	1	17	3	100	19
All Activities	32	34	22	23	15	16	30	32	100	105

n = 105

Table 30 shows the relationship between tenant incomes and previous instances where tenants had been threatened with displacement. Lower income tenants were two to three times as likely to identify previous occasions when tenants within their building had been threatened with displacement.

Table 30

Tenant Incomes By Previous Incidence of Being Threatened

Income Range	YES		NO		TOTAL	
	%	No.	%	No.	%	No.
Less than $15,000	52	11	48	10	100	21
$15,000 to $24,999	6	13	54	15	100	28
$25,000 to $39,999	35	8	65	15	100	23
$40,000 and Over	19	6	81	25	100	31
Total	37	38	63	65	100	103

C. TENANTS PREVIOUSLY DISPLACED

This section includes data from the survey of previously displaced tenants from the municipalities of Metropolitan Toronto, Ottawa-Carleton and Hamilton. The analysis which follows includes data relating to 55 cases. Again, due to the very small numbers of respondents from the Ottawa and Hamilton areas, none of the tables have attempted to disaggregate data pertaining to each municipality.

1. Activity And Building Type

Table 31 examines the type of activity which caused tenants to be displaced. It revealed that renovation and repair, building demolition and illegal activities account for more than 75 per cent of all tenant displacement among survey respondents. This was roughly double the incidence of these activities among tenants facing displacement. Condominium conversion applications were responsible for displacing only five per cent of respondents. They made up nearly a third of all cases in the tenants facing displacement survey. As we saw above many of these condominium conversion applications, while approved, have been appealed to higher authorities and many tenants do not think they will ultimately be forced to move. Among the 55 respondents, 69 per cent had been displaced by applications made under the RHPA, while 31 per cent were caused by illegal activities or a situation not covered by the Act.

Table 31

Tenants Previously Displaced By Type of Application

Application Under RHPA	%	No.
Condominium Conversion	5	3
Building Demolition	25	14
Renovation & Repair	27	15
Conversion To Other Uses	5	3
Severance Of Lot	5	3
Sub-Total	69	38
Not Applied For Under RHPA	%	No.
Illegal Activity	24	13
Apartment or Suite Hotel	4	2
Other Activity	4	2
Sub-Total	31	17
Total	100	55

As Table 32 indicates, more than half of all displaced tenants are now living in a house form building. Among these households, 24 per cent live in a one or two family house and 29 per cent live in an apartment in a house. Another 19 per cent live in low-rise apartments of up to three storeys. Only 23 per cent are now living in medium or high-rise apartment buildings, as compared with 61 per cent among tenants facing displacement. Nearly one in four displaced tenants had become homeowners since their displacement. One respondent was living in a tent in local parks at the time of the survey while continuing to seek suitable accommodation.

Table 32

Present Tenure and Building Type

Tenure	%	No.
Home Owner	24	13
Renter	74	41
Tent In Park	2	1

Building Type	%	No.
One Or Two Family Home	24	13
Apartment In A House	29	16
Low-Rise Apartment	19	10
4 To 9 Storey Apartment	7	4
10 Or More Storey Apartment	16	9
Other	5	3
Total	100	55

Table 33 displays the cause of displacement as identified by the households affected. The data here differ somewhat from the previous table dealing with types of applications. They reveal that 41 per cent of all displacements were caused by some form of renovation activity, with another 20 per cent resulting from building demolitions. Attempts at condominium conversions were identified as the cause of displacement by 15 per cent of respondents, though this figure may include related types of activity such as co-ownership. Owner's own use was mentioned by another 13 per cent.

Table 33

Previously Displaced Tenants By Cause of Displacement

Cause Of Displacement	%	No.
Major Renovations	41	22
Building Demolition	20	11
Condominium Conversion	15	8
Landlord's Own Use	13	7
Apartment/Suite Hotel	6	3
All Other Cases	6	3
Total	100	54

2. Household Characteristics

As Table 34 indicates, previously displaced households consisted mainly of one or two adults, usually with no children, with a head aged 25 to 39 years. Two-thirds of respondents were within this age group, while another 25 per cent were between 40 and 64 years of age. Unlike the survey of tenants facing displacement, elderly persons aged 65 and over were only a small fraction of this group. Only 18 per cent of households contained any children, a similar proportion to that found in the tenants facing displacement survey.

Full-time employment provides the major source of income for 70 per cent of those surveyed, with another 17 per cent identifying part-time employment as their major source. No other source accounted for as much as five per cent. Nearly one in four respondents stated that their household income was less than $20,000/year, and another 25 per cent had incomes of

Table 34

Household Characteristics of Respondents

Age Of Respondent	%	No.
Under 25	4	2
25 to 39	67	37
40 to 64	25	14
65 and Over	4	2
Number Of Children	**%**	**No.**
None	82	45
One	5	3
Two	11	6
Three	2	1
Level Of Income	**%**	**No.**
Under $20,000	23	11
$20,000 to $29,999	25	12
$30,000 to $39,999	13	6
$40,000 and Over	40	19
Major Source Of Income	**%**	**No.**
Full-Time Employment	70	38
Part-Time Employment	17	9
All Other Sources	13	7

between $20,000 and $30,000/year. On the other hand, 40 per cent stated that their incomes were $40,000/year or more.

3. Characteristics Of Building And Unit

Table 35 looks at tenant perceptions of the physical condition of their present unit and building. It shows that nearly two-thirds of displaced tenants feel their present unit is in good condition, with 30 per cent stating the need for minor repairs. Only six per cent saw the need for any major repairs. Fully 74 per cent felt the building to be in generally good condition, with 17 per cent identifying the need for minor repairs and nine per cent seeing a need for major repair work. The findings in this table, particularly in view of the causes of displacement among these households, strongly suggest that most have succeeded in finding housing which is in better physical condition than the unit from which they were displaced.

Table 35

Unit and Building Condition of Present Accommodation

Condition	Unit		Building	
	%	No.	%	No.
Good Repair	64	34	74	40
Needs Minor Repair	30	16	17	9
Needs Major Repair	6	3	9	5
Total n = 54	100	53	100	54

4. Present Housing Situation

Table 36 shows the length of time that respondents have lived in their present housing, in their present neighbourhood, as well as the length of time they lived in the unit from which they were displaced. Not surprisingly, given that the vast majority of respondents have been displaced within the last two years, 51 per cent have lived in their present unit for less than a year and another 40 per cent have lived there for between one and three years.

Table 36

Length of Tenure, Present Unit, Neighbourhood and Unit from which Displaced

Length of Stay	Present Unit		Neighbourhood		Displaced Unit	
	%	No.	%	No.	%	No.
Less Than 1 Year	51	28	27	15	5	3
Between 1 And 3 Years	40	22	29	16	38	21
Between 3 And 5 Years	5	3	16	9	22	12
More Than 5 Years	4	2	27	15	35	19
Total	100	55	100	55	100	55

n = 55

By contrast, only five per cent had lived in the unit from which they were displaced for less than one year, and 57 per cent had lived there for three years or more. More than one-third had lived in the unit from which they were displaced for more than five years. Since 58 per cent of those surveyed had been displaced from a neighbourhood other than the one in which they currently reside, they have generally lived in their current neighbourhood for a shorter period of time than that relating to their former unit. More than one in four respondents had lived in their neighbourhood for less than a year, and 56 per cent had lived there for less than three years.

Table 37 reviews the facilities available to those households who have continued to rent their premises. The major facilities available are not that dissimilar to those found in buildings where tenants were facing displacement. Tenant parking was available in 83 per cent of the cases, while laundry facilities were present for 80 per cent. Again facilities such as meeting rooms, swimming pools and exercise rooms were available only in a small minority of cases.

The age profile of the housing stock currently occupied by displaced tenants is also not that dissimilar to that of tenants facing displacement. Nearly two-thirds of the buildings were constructed prior to 1961, with 38 per cent built prior to 1945. Only 12 per cent of the dwellings were constructed since 1975.

Table 37

Previously Displaced Tenants By Facilities Available

Type of Facility	YES		NO		TOTAL	
	%	No.	%	No.	%	No.
Tenant Parking	83	34	17	7	100	41
Garage Parking	34	14	66	27	100	41
Laundry Room	80	33	20	8	100	41
Elevators	34	14	66	27	100	41
Party/Meeting Room(s)	15	6	85	35	100	41
Swimming Pool	12	5	88	36	100	41
Exercise Room	10	4	90	37	100	41

n = 41

Table 38 presents the distribution of dwelling units by bedroom count for the previously displaced tenants. It shows that 35 per cent occupy one-bedroom units, 20 per cent occupy two-bedroom units, and 33 per cent occupy dwellings with three or more bedrooms. This pattern is quite different from the survey of tenants facing displacement, but can be largely explained by the 24 per cent of displaced households which now own their housing. All of these households are likely to have at least three bedrooms in their present dwelling. With these units excluded, one and two-bedroom units would account for nearly three-quarters of the remaining units. By comparison, 78 per cent of tenants facing displacement lived in one and two-bedroom units.

Table 38

Previously Displaced Tenants, Unit Size By Bedroom Count

Size Of Unit	%	No.
Bachelor	5	3
One Bedroom	35	19
Two Bedroom	20	11
Three Or More Bedrooms	33	19
All Other	7	4
Total	100	55

n = 55

5. Attitudes About Accommodation From Which Displaced

Table 39 indicates that two-thirds of displaced tenants would have preferred to have remained in their unit had the situation that displaced them not occurred. In situations involving renovation activity, displaced tenants were evenly split on this issue. For all other situations, 75 per cent of those displaced would have preferred to remain there. Among tenants displaced by renovation activity who would have been interested in moving back into their unit following the renovation work, few were willing to pay substantial rent increases in order to do so. Only one respondent indicated a willingness to pay more than $700/month, while 30 per cent were able to pay between $600 and $699/month. The remaining 62 per cent were willing to pay a maximum rent of $599/month or less.

Table 39

Desire To Have Remained In Unit From Which Displaced

Type of Facility	YES		NO		TOTAL	
	%	No.	%	No.	%	No.
Situations involving Renovation*	50	15	50	15	100	30
All Other Situations	75	27	25	9	100	36

*substantial overlap between the two groups due to respondents displaced because of demolition activity answering both questions.

Table 40 and Chart 7 asked previously displaced tenants for their views concerning various building conversion options. It indicates the strong support for conversion to a non-profit or co-op housing project with 83 per cent favouring this option. There was 71 per cent support for the option of remaining as a tenant in a building converting to condominium, and only 33 per cent were willing to consider the option of purchasing a unit in a building converting to condominium.

Asked what assurances of security of tenure they would require, 79 per cent cited protection of rent review legislation, 76 per cent mentioned strict enforcement of maintenance and building conditions, and 71 per cent

Table 40

Willingness of Displaced Tenants to Consider Various Building Conversion Options

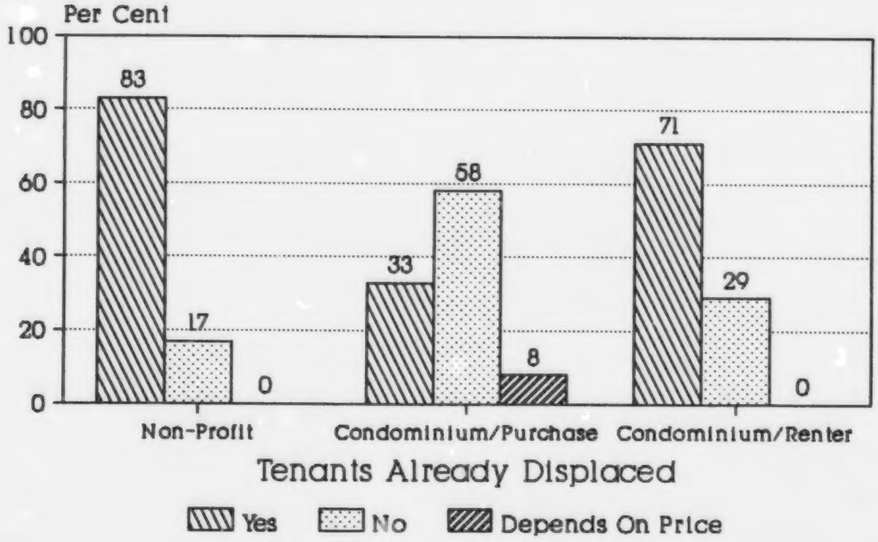
Conversion Option	YES %	NO %	DEPENDS %	TOTAL %
Building Purchased As Non-Profit Housing	83	17	0	100
Building Converted To Condo, You Purchase Unit	33	58	8	100
Building Converted To Condo, You Stay As Renter	71	29	0	100

n = 24

Guarantees Of Security Of Tenure Required	YES %	NO %	TOTAL %
Protection Of Rent Review	79	21	100
Strict Enforcement Of Maintenance	76	24	100
Penalties For Landlord Harassment	71	29	100

n = 23

Chart 7: Building Conversion Options
Willingness of Tenants to Consider



N = 24

cited the need for serious penalties for landlords who harass renting households in condominium projects.

6. Experience In Finding Accommodation

Table 41 presents data on the first permanent housing found by tenants after being displaced. It reveals that 70 per cent found other private rental accommodation, 13 per cent bought a house or condominium, and 11 per cent moved into a non-profit or co-op housing project. About one-third of households were able to secure housing within a month, while 37 per cent took three months or longer to find housing that was suitable. While those remaining in rental housing were generally able to find accommodation in better physical condition, it was also substantially more expensive for most of them. On average, the rent of new units for those tenants continuing to rent on the private rental market was 43 per cent higher than the rent of the unit from which they were displaced, increasing from $435 to $622/month. By contrast, the half dozen tenants who were fortunate enough to find non-profit housing saw their rents actually decline by about 6 per cent. Rents for this group declined from an average of $437 to $412. This suggests that

Table 41

Tenants First Permanent Housing After Displacement

Housing Situation	%	No.
Private Rental Accommodation	70	38
Bought A House Or Condominium	13*	7
Non-Profit Or Co-op Housing	11	6
Moved Back To Unit After Repairs	2	1
Living In Tent In A Park	2	1
Other	2	1
Length Of Time To Find New Unit	**%**	**No.**
Less Than A Month	33	19
One Or Two Months	30	16
Three To Five Months	24	13
Six Months To A Year	6	3
A Year Or More	7	4

n = 54

*Another 11 per cent of respondents subsequently bought a home, resulting in 24 per cent of respondents who were owners at the time of the survey.

tenants facing displacement who, on average, expected a 21 per cent rent increase in finding new accommodation, may be in for a more difficult time than they imagine.

The reasons why displaced tenants chose one housing option over another are summarized in Chart 8. For those who chose to continue renting privately, the fact that they cannot afford to buy was mentioned by 87 per cent, making it the predominant reason. No other factor was mentioned by even 25 per cent. Among those who moved into non-profit or co-op housing, input into maintenance and repair decisions and long-term security of tenure were mentioned by 80 per cent and 67 per cent respectively. For those who have chosen to purchase a home or condominium, building up equity and long-term security of tenure were given as reasons by 75 per cent and 67 per cent respectively.

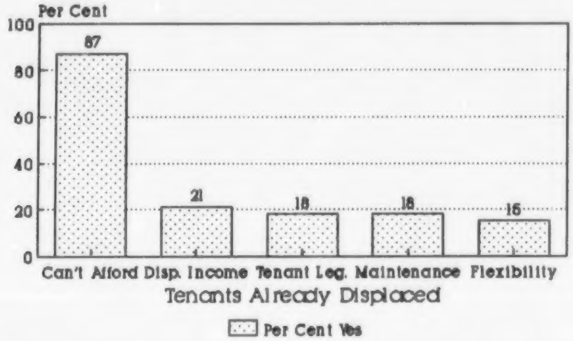
Respondents were then asked to identify the factors which were most influential in choosing accommodation after they were displaced, and to compare the characteristics of the unit they found with those of the unit from which they had been displaced. These data are presented in Table 42. The two most important factors, as well as the priority given to others, corresponded to those found in the survey of tenants facing displacement.

The cost of housing and the physical condition of the unit were the two most important factors, cited by 82 per cent and 65 per cent respectively. The size/suitability of the unit, its distance from transportation, and commuting time to work were also mentioned by at least 50 per cent as being very important. As with tenants facing displacement, distance from schools, daycare or medical care was viewed as generally not important.

On average, the housing found by respondents was much more expensive, but also in better physical condition and more suited to their needs. Fully 70 per cent stated that they were paying more for shelter; 31 per cent were in a smaller or less suitable unit; and 26 per cent had to commute further to work. On the positive side, 67 per cent were living in a unit in better condition; 49 per cent had found more suitable housing, and 33 per cent were closer to shopping and services.

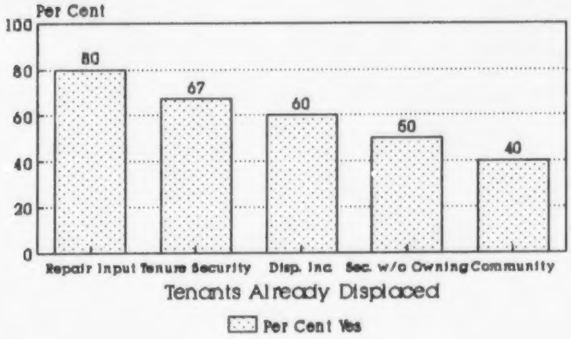
Chart 8: Reasons for Tenure Choice

For Those Continuing to Rent Privately



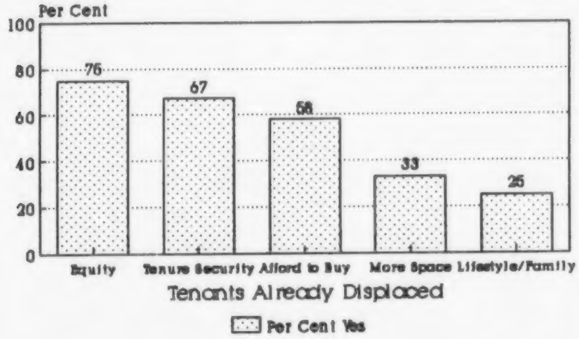
N - 39

For Those in Non-Profit Housing



N - 6

Those Who Bought Their Own Home



N - 12

Respondents were asked to identify the most important causes of stress in coping with displacement. As is shown in Table 43 and Chart 9, the increased cost of housing and associated budgetary problems were mentioned by 56 per cent of those surveyed. Another 36 per cent cited reduced contact with friends, while 24 per cent listed increased commuting time. One in six respondents indicated that displacement had caused a forced change in the composition of their household unit.

Table 42

Factors Influencing the Choice of Accommodation After Being Displaced

List of Factors	Very Important %	Less Important %	Not Important %
Amount Paid For Shelter	82	16	2
Physical Condition Of Unit	65	31	4
Distance From Work	57	31	11
Access To Transportation	55	27	18
Size/Suitability Of Unit	54	39	7
Same Or Similar Neighbourhood	41	35	24
Distance To Shops/Services	29	55	16
Distance To Schools/DayCare	20	6	74
Distance From MD/Dentist	11	16	73

When You Found New Accommodation, How Did It Compare With The Unit From Which You Were Displaced?

List of Factors	Better %	Same %	Worse %
Amount Paid For Shelter	17	13	70
Physical Condition Of Unit	67	18	15
Distance From Work	19	55	26
Access To Transportation	24	60	16
Size/Suitability Of Unit	49	20	31
The Neighbourhood	20	59	20
Distance To Shops/Services	33	47	20
Distance To Schools/Day Care	12	70	18
Distance From MD/Dentist	8	67	24

n = 55

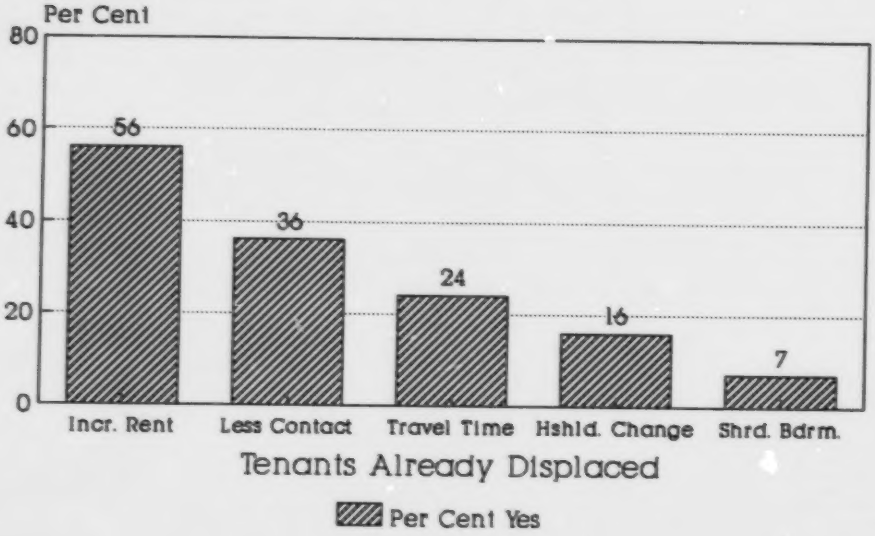
Table 43

Emotional Stresses Caused By Displacement

Cause of Stress	YES %	NO %
Increased Rent/Shelter Cost	56	44
Reduced Contact With Friends	36	64
Increased Commuting Time	24	76
Forced Change In Household	16	84
Need To Share Bedroom	7	93

n = 55

Chart 9
Stresses Caused by Displacement



N = 55

7. Home Buying Intentions

Among displaced tenants, more than 60 per cent had either bought a home already or had plans to do so at some point in the future, more than double the proportion among tenants facing displacement. Several factors could account for this. The average income of displaced households was $35,578 or 18 per cent higher than that of households threatened with displacement. Lower income households may be under-represented among displaced tenants since they are more likely to be in temporary accommodation or doubling up with friends and therefore would not have a telephone in their own name.

Table 44 assesses the home buying plans of displaced tenants regarding the maximum price they think they can afford, the size of down payment they could manage and the maximum monthly payments they could carry. It distinguishes between the 24 per cent of displaced tenants who have already purchased, and the 38 per cent who plan to do so in the future. The future homebuyers are about evenly divided between those who plan to buy within five years, and those whose plans are in the more distant future.

The differences between the present and future home buyer groups are revealing. Among those who have already purchased, 40 per cent were able to do so at a price of $100,000 or less. On the other hand, 50 per cent had to pay more than $150,000. Among those looking to buy at some point in the future, only 33 per cent are willing to pay more than $150,000 and 11 per cent are able to pay more than $200,000.

Among those who have already purchased a home, half made a downpayment of more than $30,000. Among future homebuyers, only 31 per cent are prepared to put down more than $30,000, and only 15 per cent could manage more than $40,000. Only future homebuyers were asked to specify the maximum monthly payments they could manage. Only 40 per cent gave a maximum of more than $1,000/month, and only 13 per cent stated an amount of more than $1,200/month.

Table 44

Respondents Homebuying Intentions

Never Plan To Purchase		YES Bought Already		YES In The Future		TOTAL	
%	No.	%	No.	%	No.	%	No.
38	21	24	13	38	21	100	55

What Is The Maximum Price You Are Willing To Pay?

Price Range	Bought Already		In The Future	
	%	No.	%	No.
$100,000 or less	40	4	28	5
More than $100,000	60	6	72	13
More than $150,000	50	5	33	6
More than $200,000	10	1	11	2
More than $250,000	10	1	11	2
Total	100	10	100	18

What Downpayment Could You Manage?

Dollar Range	Bought Already		In The Future	
	%	No.	%	No.
$10,000 or less	0	0	23	3
More than $10,000	100	8	77	10
More than $20,000	62	5	54	7
More than $30,000	50	4	31	4
More than $40,000	25	2	15	2
Total	100	8	100	13

What Are The Maximum Monthly Payments You Could Manage?

Dollar Range	Future Homebuyers Only	
	%	No.
$800 or less	27	4
More than $800	73	11
More than $1,000	40	6
More than $1,200	13	2
More than $1,500	7	1
Total	100	15

8. Tenant Incomes, Rent Levels And Other Factors

Table 45 looks at tenant incomes in relation to the rent levels in the units from which they were displaced. It found that all tenant households with incomes below $20,000/year were living in units renting for less than $500/month, and two-thirds of them were in units renting for less than $400. By contrast, only 17 per cent of tenant households with incomes of $40,000/year or more were paying less than $400/month in rent, and half of them had rents exceeding $500/month.

Table 45

Tenant Income By Rents in Units From Which Displaced

Household Income	Rent Level ($)									
	Less Than 400		400 to 499		500 to 599		600 and Over		Total	
	%	No.	%	No.	%	No.	%	No.	%	No.
Under $20,000	67	6	33	3	0	0	0	0	100	9
$20,000 to $29,999	45	5	36	4	0	0	18	2	100	11
$30,000 to $39,999	50	3	33	2	17	1	0	0	100	6
$40,000 and Over	17	2	33	4	33	4	17	2	100	12
Total	42	16	34	13	13	5	11	4	100	38

Table 46 compares the rent levels of the units from which tenants were displaced with those of their first permanent rental housing following displacement. The data exclude those households who bought a home or moved into non-profit housing following their displacement. The distribution of rents makes it clear that most households faced a significant increase in rent as a result of being displaced.

Table 46

Rent Levels Before and After Displacement

Rent Level	Before Displacement		After Displacement	
	%	No.	%	No.
Less than $400	43	18	15	6
$400 to $499	31	13	17	7
$500 to $599	14	6	27	11
$600 to $699	10	4	15	6
$700 and Over	2	1	27	11
Total	100	42	100	41

Before the move, 74 per cent were paying less than $500/month in rent, 24 per cent were paying between $500 and $699, and only one tenant was paying more than $700/month. After displacement, less than a third were still paying less than $500/month in rent, 42 per cent were paying between $500 and $699, and 27 per cent were now paying out more than $700/month in rent. As noted above, the average rent increase was 37 per cent.

D. FOCUS GROUPS

This section summarizes discussions within two focus groups which were conducted in selected buildings representing both differing kinds of situations and geographic areas. The focus groups consisted of five to eight participants and were led by a trained facilitator. The comments raised cover a broad range of topics relating to the present situation facing tenants, previous rent review history of the building, aspects of tenant/ landlord relations, maintenance and repair issues, future plans in finding a place to live, and views of existing tenant protection legislation.

1. An Apartment Complex In North Toronto

Tenants in this building complex face displacement because of an application to demolish.

1.1 Why Are Tenants Facing Displacement?

The focus group participants included six residents of two apartment buildings in the same complex. They included two single females and a single male all in their thirties, a married male in his thirties with one child, a single male in his fifties, and a married female pensioner in her seventies. Most had lived in their building for at least five years, with one having lived there for thirty years.

They noted that the landlord had plans to redevelop the site to take advantage of its commercial potential. His first proposal, which included no housing, was amended to include apartments, and a density increase of 70 per cent was approved by Council. Zoning approvals are now in place, including plans for tenant relocation. The proposal calls for rent increases equal to the provincial rent review guideline for seven years, with the landlord waiving his right of going to rent review during this period.

1.2 Past Rent Review History Of The Building

Participants felt that the existing rent structure in the building included illegal rents, and they were concerned that this deal could legitimize them. They indicated that rent review orders on this building were approved in 1983. The landlord has abided by the "letter of the law" only in the case of units that have been continuously occupied by the same tenants. Vacancies have been used to increase rents illegally, in some units by as much as $100/month above updated 1983 rent levels.

Tenants mentioned that the landlord has stated his intention to demolish the building to them privately for more than five years. Yet rent review found for him in 1983, and took the landlord's word that he had no intention to demolish. He misled rent review, and got a 26 per cent increase to ensure a reasonable profit. One participant argued that fire control and lighting systems were used as the main reasons in support of the landlord's application for a rent increase above the guideline, but it turned out later that the receipts submitted were for his cottage.

Participants were disturbed that their landlord had misled rent review and was now getting "all this good publicity about what a wonderful guy he is for helping tenants to relocate; the simple fact is that he's doing it only because he had to in order to get a demolition permit."

1.3 Maintenance And Repair Problems

One participant gave an example where it took 14 months to get response to washroom disrepair, and even then it was not done properly. Plumbing and water seepage from pipes were seen as the main problems here. Some tenants put their own money into keeping their places nice. As one put it, "If the rent is reasonable, tenants don't mind paying for their own paint and doing some plastering."

There was general agreement that the building has a good heating system. Tenants do not pay for utilities separately. Parking charges are very inequitable and vary between $13 for some long-time residents to as much as $120 for more recent tenants. Two participants noted that each building used to have its own superintendent; now one is shared between them. The super at one of the other buildings was very good, repaired things and dealt with problems promptly. Since that superintendent left, the situation has deteriorated.

1.4 Good and Bad Aspects Of Landlord/Tenant Relations

Harassment has been a continuing problem with this landlord. Many tenants have received "unofficial" eviction notices in the past. As one participant put it, "I came home one night to find an eviction notice taped to my door, which is humiliating, frightening and illegal. It's a traumatic experience to come home and know that other people in the building have been talking about the fact that you owe rent. He had sent me threatening letters in the past as well. These letters often contained misrepresentations."

Some participants were outraged when they saw the current rent schedule which was included with the landlord's application to demolish. As one participant put it, "The rents that he was charging people were scandalous" in comparison to those in effect under the 1983 rent review decision. The problem is that there are not enough tenants left in the building from

1983 to know what is true or false in the landlord's present declaration.

One tenant expressed the view that, "New tenants without benefit of this past history think he's a very reasonable landlord, offering seven years of stable rents with no increases above the guideline. They don't know any better. They haven't seen his past deceit and harassment."

At one building, the landlord removed the door of a storage closet in a one-bedroom unit and then rented it out as a two-bedroom for more than $600/month. Focus group participants expressed concern about going door to door, raising awareness and organizing, because the landlord may retaliate against "troublemakers".

1.5 Landlord Assistance In Dealing With Displacement

The landlord has been promising to relocate tenants to other units for two years. He has produced a list of units on Isabella, Huntley Street, and other streets, most of which would be leased units from an existing large development company. One participant stated that "Some of these buildings are up for 30 per cent rent increases at rent review as well; they've been putting in underground car parks, new carpet ... That's a major loophole in rent review, the landlord gets his own contractors to do the work at extortionate rates and then passes the costs on to the tenants in rent increases".

Another tenant expressed the view that, "Although the relocation plan may look reasonable on paper, our fear is that once the landlord has Council approval, no one will follow up the details to make sure that each tenant is treated fairly. Once a tenant agrees to move and they are in a new unit, they are on their own and no longer protected by the deal. Where there is a breach, a tenant is unlikely to take the landlord to court due to cost."

1.6 Type Of Housing Being Sought

Participants generally had a high regard for their present neighbourhood as a convenient place to live, with a small town atmosphere, safe streets, and lots of small shops. Access to the outdoors, including a balcony, were seen as important in new housing. Proximity to the subway was seen as a real advantage; most would like to keep that. All participants were within 25 minutes commuting time from work. The building has soundproof apartments, and there was some concern that future housing would allow noise from TVs and stereos and so forth to pass through walls.

There was a general expectation that future housing will lack the character, detail and size of present units. On the other hand, the physical condition was expected to be better. All expected that they would have to pay higher rents. Drafts from the windows make bathrooms cold in winter, and that would be less of a problem in a new unit. Participants in general seemed willing to pay up to $100/month more for their present unit if it was fixed up.

1.7 What Emotional And Other Stresses Will Moving Cause

All agreed that paying higher rental costs will have an impact. Two of the women mentioned the need to take more cabs in order to get home safely. Living on a major street near a major intersection had been great from that standpoint. Concerns were expressed about the impact on pets. The stress of packing and unpacking, cleaning and painting a new place, getting used to the noises of new neighbours were noted by various participants.

Several indicated that the search for new accommodation was a major source of psychological stress itself. As one put it, "not knowing where your home base will be. The thought of looking for housing in this city is a nightmare. I know of landlords/superintendents asking for $2,000 in key money for other apartments in this neighbourhood."

1.8 Perceptions About Existing Tenant Protection Legislation

There was a general perception that few tenants have a good working knowledge of their rights and responsibilities. One participant stated, "It came across loud and clear to us as we started to organize in this building; people are absolutely ignorant of their rights; its shocking, unbelievable in this day and age that people are as unaware as they are of the basic legal protections ... something as straightforward as the fact that there is rent review and your rent cannot be increased more than a certain amount per year. People don't realize that so long as even one tenant continues to live in this or any other building, that the landlord must maintain it to building standards."

Participants also stressed the need to distinguish between general knowledge of rights and dealing with specific building situations. As one participant said, "It's one thing to have general knowledge of basic rights under the act, and quite another to try to protect yourself according to the letter of the law against landlords with high priced legal help who play fast and loose with the system at every opportunity. It's a question of access to resources in making a case."

Those attending the focus group were appreciative of the advice and assistance they had received from local politicians and staff of the City Planning Department.

2. An Apartment Complex In Scarborough

Tenants in this apartment complex are threatened with displacement due to the owner's plans to convert the rental units to condominium occupancy.

2.1 Why Are Tenants Facing Displacement

The focus group consisted of four males and one female, only one of which had lived in the complex for more than five years. The buildings themselves are only three-and-a-half to five years old. They are rental buildings registered as condominiums. A general provision exists in tenant's leases stipulating that the unit can be converted to condominium after five years. When people applied for rental units, this provision was deliberately played down as something that was unlikely to happen. One participant, because he had lived for four years in another rental building registered as a condominium, wasn't threatened by this provision.

Participants indicated they were made aware of the proposal to change from rental to condominium occupancy by a letter posted to their doors. "No registered mail or delivery by courier; it was simply stuck to your door, and if you weren't there, you might not have gotten it." The first letter gave no deadline by which to respond; a second letter stated that, "in order to secure your priority to purchase, your agreement of purchase and sale must be signed no later than August 7th." This second letter was signed on July 28th, giving tenants barely a week to decide. Again, this was just stuck to the door.

2.2 Past Rent Review History Of The Building

Two participants concurred that when the rent review system was extended to post-1975 buildings in 1986, the landlord had proposed increases of 10 per cent in 1986, and 11 per cent for each of the next two years. A tenant who had tried to get a tenants' association going at the time was evicted by the landlord. None of these proposed increases have been heard yet by rent review. As one put it, "It makes the whole system a farce." Participants noted that the landlord has proceeded with rent increases as planned in the interim. It is unclear what happens to the pending rent review case after the building has been converted to condominium. Will the case proceed, and if so, will tenants be able to recover any excess rents paid. Tenants plan to seek legal advice on this matter.

These buildings received graduated payment mortgage financing through CMHC, and had to make 20 per cent of the units available to the province as rent-geared-to-income (RGI) housing under the rent supplement program, one participant indicated.

2.3 Facilities Available To Tenants

Participants went on at great lengths about the range of facilities available within the complex. These included both indoor and outdoor pool, three saunas, two billiards tables, a room with two table tennis tables, a well-equipped exercise room, two racquetball courts, two squash courts, sun-tanning areas, a lounge with large TV, a party room, four outdoor tennis courts and two practice courts. These facilities are shared among the three buildings.

2.4 Maintenance And Repair Problems

Participants agreed that the early history was not good, but as buildings approach the end of the five year period the landlord has engaged in a "real spruce up", notably during the last three months. "They've repaved the driveway, got rid of the speed bumps that everyone objected to, and repainted hallways that were in dingy condition. They have repaired some of the vandalism in hallways and common areas." Few problems with maintenance and repairs in individual units were mentioned. One participant talked about the tardiness of turning on air conditioning in the spring.

2.5 What Options Are Available To Tenants Who Do Not Want To Buy?

The landlord has said that leases expiring before January 1st, 1989, can be extended to year end. Leases extending beyond January 1st will run to the end of the existing lease. One participant noted that there are already a lot of vacancies in the building. People are moving out at the end of their leases. Also, "should the person who buys your unit be interested in renting it, tenants may be able to stay there."

One participant said that he had moved into this building during the last six months, taking over an existing lease that expires on December 31st. He was told at the time that the lease could be extended. Now he has received the letters on his door, the second giving him until August 7th to decide whether or not to buy his unit. Since the three buildings in this complex were built over an eighteen month period, and this was the last to be completed, the five year period during which it is required to provide rental accommodation will not end for another eighteen months to two years. The letter amounts to harassment and scare tactics, since tenants can stay in that building for another two years. This focus group participant is fearful of seeking help from either tenant advocates or politicians since it might get him in trouble with the landlord.

2.6 Type Of Housing Being Sought

One participant does not want to move and hopes they will still be able to stay. He moved here two years ago, has established a small business, and to move to a different part of Metro would create major commuting problems for him. Another is watching the "condominiums for rent" ads in the area and thinks something in his price range will become available, although the prices are pretty high on most of them.

The rest will be seeking private rental housing since they cannot afford to buy. One tenant who wants to continue living in the same neighbourhood thinks his chances are slim. "I looked at twenty-five buildings in this area before I found this place; most buildings are condominium occupancy." The only other rental building in the area that he is aware of had no carpeting in the units, was dirty and poorly maintained. He observed that, "It was depressing to think that this is what I might have to move into."

Another participant has tried two private agencies, i.e. home locators, to assist in finding something. He wants to continue living in the same general area but the rental housing available is mainly basement apartments or in poor condition.

2.7 What Emotional And Other Stresses Will Moving Cause?

One participant thought the odds of finding a decent place in this area are nil. He may be forced to move back in with the parents of his girlfriend, which was both inconvenient and uncomfortable. Another option would be to move to his own parents' home in Woodstock, where the rent would also be cheaper. The rents in Toronto are just too expensive. If his rental unit was bought by an owner who wanted to continue to rent it out, he would like to stay there but fears that the new rent might mean a phenomenal increase.

Most participants anticipated the costs and dislocation of moving, as well as the difficulty of finding comparable accommodation in the same area as the largest sources of stress. One focus group member was displaced for owners own use from a similar kind of building in Oakville about two years ago. He had been given two months notice, but was unable to find a suitable rental unit. He had to double up with friends for a month while continuing to look.

2.8 Perceptions About Existing Tenant Protection Legislation

Although these tenants felt that they had a good working knowledge of their rights as tenants, they generally felt the existing system does not work well in protecting tenants' interests. The backlog of rent review cases, it was asserted, shows that the government does not take its role seriously. One tenant felt that landlords can evict active tenants too easily, often through harassment. One participant observed, "the revised rent review legislation is designed to help landlords; it lifts the ceilings on what landlords can use as reasons for increasing rents beyond the guideline. And landlords are doing it."

At least one tenant expects to seek legal assistance concerning the recovery of excess rent payments before moving out. These excess payments were the result of rents above what would have been "legal rents", paid over the past three to four years. He would have continued to advance this case through rent review but the building may not have made its way to the top of the backlog before he has to move out.

A participant noted that, "It is up to individual tenants to advance their own causes since there has not been an effective tenants' association in the building in more than three years. The last president of the tenants' association was conveniently kicked out of the building.

Participants argued that this kind of building activity is a major weakness of the current legislation. "Isn't this type of building one of the biggest loopholes in tenant protection, in that they can get out of the Rental Housing Protection Act simply by registering their rental building as a condominium, with the intention of converting at some point in the future. Here is a large developer, who gets government financing, probably some kind of density bonus for agreeing to provide up to twenty per cent assisted units, and for maintaining the buildings as rental housing for five years. In turn, the deal enabled them to build the housing more cheaply, and pass through any increased maintenance costs onto the tenants in rent increases above the guideline."

E. CASE STUDIES

The case study profiles which follow are meant to convey in more human terms some of the situations in which the tenants who participated in this research study find themselves. To maintain confidentiality, some information about respondents has been altered.

CASE STUDY 1 (Situation Type: Condominium Conversion)

Tom and Mary are a retired couple living on a $40,000/year income. They have lived in their building for 12 to 14 years and in the same Toronto neighbourhood for all of their lives. They pay more than $800/month for a two-bedroom unit.

They are generally satisfied with the condition of their unit and the building. Although they have no interest in buying a condominium, they hope to remain within the building while renovations take place on their unit. The landlord has gone to rent review asking for a 9.5 per cent increase. They will be given an opportunity to return to their renovated unit once repairs are completed. These pensioners believe tenants should have a say in maintenance and repair decisions about their buildings.

CASE STUDY 2 (Situation Type: Condominium Conversion)

Donald and Ruth are a retired couple living on a $36,000/year income. They have lived in the same building in this North Toronto neighbourhood for 19 years. They pay $817/month for a two-bedroom unit, plus $38/month for parking.

They have seen a continuing deterioration in the condition of their building since it was purchased by new owners less than three years ago. The new owners are speculators not professional property managers. As a result, the care and maintenance of the building in terms of general cleanliness, the carpets, repair of plaster has declined noticeably.

They cannot afford to buy a unit and are thankful the landlord has offered them a five year lease. The landlord has also agreed to pay 50 per cent of relocation costs if their unit is sold and they have to move to another one within the complex. They are worried that the rent may increase by more than 20 per cent. In their view, government needs to control speculation and "flipping" of apartment buildings where the new owner simply passes on the speculative profits of the previous owner as increased rents to the tenants.

CASE STUDY 3 (Situation Type: Condominium Conversion)

Clare is a single woman in her mid-thirties, working full-time and living on an income of $25,000/year. She had lived in this building seven years before her recent displacement, and had lived for 15 years in the same neighbourhood. The rent for her new unit, at $524/month, is nearly 50 per cent higher than that for the unit from which she was displaced.

She had five different landlords in the last five years she lived in her former apartment. Several different approaches were tried to evict tenants during this period. Her last landlord had previously tried to evict tenants for major renovations. She fought this with another tenant in court, but she lost and moved out. The other tenant appealed and is still in the building.

She had tried to purchase a unit prior to the proposed renovations being carried out, but the landlord said no. This building had been registered as a condominium for years, and the current owner is now trying to sell units through some kind of rent-to-own scheme.

Displacement caused several emotional stresses including having to leave her cats with her mother, reduced contact with friends, and increased commuting time to work. She noted that her new place is not very handy to shopping and services. Once her case was lost in court, she was given ten days to vacate the premises.

She believes that existing landlord-tenant law doesn't do enough for ordinary working people. We cannot afford most places, and are unable to get help from legal aid to fight back against landlords because we work and don't meet the income guidelines.

CASE STUDY 4 (Situation Type: Building Demolition)

Brad and Janice are a couple in their late twenties, both of whom are employed full-time with a combined income of $35,000/year. They have lived in both the building and their North Toronto neighbourhood for two years. They are paying $572/month in rent, including $85/month for parking, to occupy a one bedroom apartment.

They are discouraged by the deterioration in the condition of both the building and their unit. Both are in need of major repair. As Brad put it, "the landlord does no maintenance at all." They feel it is wrong that landlords can simply let their buildings deteriorate and then use that neglect as a basis for demolition.

They plan to seek rental housing since they cannot afford to pur-purchase. If they are unable to find something for less than $600/month, they may have to stay with friends while they continue looking. They do have plans to purchase a home in about five years, but are worried that they may not be able to afford it.

CASE STUDY 5 (Situation Type: Building Demolition)

Catherine is a single woman in her thirties, self-employed, with an income of $42,000/year. She had lived in the building from which she was displaced eighteen months ago for three years, and for nearly seven years in the area. Although her new apartment was larger than the one from which she was displaced, the rent nearly doubled from $510 to more than $900/month.

Both the building and unit from which she was displaced were in good condition. However, there were repeated instances of landlord harassment. Although she left eighteen months ago, she has kept in touch with other tenants who stayed to fight. In her view, the landlord has done some double dealing. He applied for a demolition under the RHPA, but has since proceeded with a luxury renovation. As she put it, "the old renovate and double the rents trick."

Increased rent, the hassle of finding a place, and increased commuting time were cited as the main sources of stress. It has taken her eighteen months to find permanent, long-term housing as she has recently purchased a unit in an equity co-op for just under $100,000. She understands that the tenants back at the old building are still fighting on in the courts.

CASE STUDY 6 (Situation Type: Building Demolition)

Hilda and Michel are two adults in their late twenties, both working part-time, with an income of $15,000/year. They lived in the building from which they were recently displaced for 8 years, sharing a one bedroom unit and paying $350/month in rent. It took them four months to find suitable housing elsewhere. Their rent more than doubled to $800/month.

The owners of the building had plans to demolish. They brought in "a gang of bikers" as superintendents to harass and intimidate tenants into moving out. Hilda came home one night to find a biker standing outside her apartment holding keys, letting her know that he could get in at any time. As she put it, "It was very stressful watching the place deteriorate, and being frightened and forced out of my home." The experience has changed her view of Canada. She didn't think such things could happen here.

They believe that tenant protection laws must be able to protect people before the fact rather than after they are threatened or evicted. There needs to be a mandatory licensing and bonding process for superintendents. Tenants need some control over who could be superintendents in their buildings.

CASE STUDY 7 **(Situation Type: Renovation and Repair)**

Velma is a single woman in her late fifties, living on social assistance, with an income of about $6,000/year. She has lived in this building in the Parkdale area of Toronto for 3 years, and pays $393/month for a one bedroom unit with shared bath and no laundry facilities.

Both the unit and building are in need of major repairs. She indicates that the bathroom ceiling is falling in; there are major problems with mice and roaches; and people drop their garbage out of open windows. There are dozens of outstanding work orders against this building. Velma is concerned that the renovations that are occurring do not address structural problems within the building; it's a makeover to make the units look good on the surface.

She is bothered by the vermin which infest the building, and the heavy dust has had a negative impact on her respiratory problems. The building is unsafe in that main entrances are never locked. She has seen prostitutes doing business in the washrooms. The entrance should be secure with a communications system for residents and visitors.

This building represents the fourth time in seven years that she has been displaced for conversion, renovation or demolition activity. The search for a decent place to live - someplace safe, clean and with more privacy at a similar rent - is fatiguing.

CASE STUDY 8 (Situation Type: Renovation and Repair)

Doris is a single female pensioner with an income of $10,000/year. She has lived in the same building for 12 years, and in the same downtown Toronto neighbourhood for more than 40 years. She rents a two-bedroom unit for $496/month, plus $18/month in hydro.

She thinks that both the unit and the building are in need of minor repairs, and that the condition of the building has been allowed to deteriorate since a new owner bought it a year or so ago. Her stove needs replacing, and several windows need repair.

She is looking for a smaller unit with a similar rent, that is in better condition than her present unit, and which has better access to transit, shopping and medical services. The building is being renovated as a co-ownership scheme; 60 per cent of the 150 units have been renovated and sold, while rental units are left to deteriorate.

She noted that owners and renters are accorded different treatment within the project as well. Unit owners have access to several building services not available to tenants, i.e. sauna, whirlpool, party rooms. She thinks tenants should have a say in the renovation and repair decisions of their landlords.

CASE STUDY 9 (Situation Type: Severance Of Lot)

Ellen is a single woman in her late twenties, living on a student loan of less than $7,000/year while she completes her studies. She has lived in her unit in a downtown Ottawa neighbourhood for more than three years. She rents a one-bedroom unit for $328/month, plus $45/month in hydro.

The three storey walk-up building needs minor repairs, but her unit is in need of major work. Specific problems cited include a faulty oven and stove, water leakage under the bathroom floor, and a damaged ceiling. Her hydro bill is also unusually high, suggesting some irregularities with the wiring in her part of the building.

The old owner severed four similar three storey buildings which are adjacent to one another into separate lots and sold them separately. The new owner of her building plans to renovate the units and rent them out at a much higher rent. She supports tenants having greater individual and collective rights in determining the renovations that can take place.

She also felt that the existing tenant protection laws are too concerned with safeguarding the interests of landlords. As she put it, "despite obvious injustices, the landlord can always find a loophole, while tenants have no recourse." She thinks the current process gives undue consideration to the party with the most power. Again to use her words, "the system moves like molasses when the tenant has a lot more to lose."

CASE STUDY 10 (Situation Type: Severance Of Lot)

Sonja is a single woman, nearing retirement, with an income of $27,000/year. She was recently displaced from a two-bedroom apartment in a large older house in southeast Ottawa. She had lived in this unit for about four years. Her rent was $278/month.

The house, containing four units, and an additional property were severed from an institutional site in order to raise funds for capital expansion. The new owners paid nearly a quarter of a million dollars for the larger house containing four two-bedroom units. They planned to renovate the units and to substantially increase rents.

The new owners pointed out that they simply couldn't afford to operate the building with the existing rent structure, or as they put it, "It is obvious that the spirit of the law, however well meaning, cannot be supported by practical economics. We would be subsidizing the two currently occupied units by more than 100 per cent."

Although Sonja was given two months notice, she was unable to find anything in the same price range. Her new unit rents for $425/month or about 50 per cent higher than the unit from which she was displaced. She resented the fact that the landlord attempted to show her old apartment to prospective tenants only twelve hours after she received notice, and on a Friday night. She found this move very stressful.

She believes tenants should have a greater say about proposed renovations, and rent review needs to do more to protect tenants in such situations. There should also be stricter enforcement of building conditions and tougher penalties for landlord harassment. She had not sought legal assistance or advise from a community clinic or the tenants' federation, and seemed to have only limited knowledge of her rights as a tenant.

CASE STUDY 11 (Situation Type: Not Covered)

Sam and Brenda are a couple in their mid-thirties with two children in school. Sam is employed full-time, and Brenda is a homemaker. They live on an income of $37,000/year.

The family has lived in their row house unit for 7 years, and in the Riverdale area of Toronto for most of their lives. They pay slightly more than $400/month to rent a three bedroom unit on two floors, plus about $135/month in utilities. Both the unit itself and the 6 unit row house complex as a whole are in need of major repairs.

They recognize that the rent is low, but the quality of their housing leaves a lot to be desired. The plumbing system is very old and causes frequent flooding of toilets. They think that landlords should have to consult tenants about renovation and repair plans.

They haven't been given a day by which to vacate yet, its still at the rumour stage, but a new owner has just purchased the row housing complex. This new owner has plans to go to rent review to raise rents even though the housing is in pretty bad shape. Sam and Brenda are worried that they might have to pay up to $1,400/month to rent their next house.

They would be prepared to live with an increase to stay where they are, but they won't pay more rent for their existing unit in its present condition. Although they hope to be able to purchase a home within five years, they feel they can afford only $130,000 to $140,000 with a $30,000 down payment.

CASE STUDY 12 (Situation Type: Not Covered)

George and Sandy are single pensioners in their late sixties, with a household income of $25,000. They share a two-bedroom unit which they rent for $515/month. George has lived in both the unit and this North York neighbourhood for 16 years. Their rental building was registered as a condominium at the time it was built, and the owner now wants to convert the rental units to condominium ownership.

They feel that both the unit and the building are in need of major repairs. In fact, they argue that the landlord has done little or no maintenance in sixteen years. As they put it, "The landlord is rarely around; so it takes forever to get any repairs done."

They would both like to stay but the landlord is trying to evict them. They have received only verbal notice from the landlord that their unit was sold. So far, nothing has come of it. They say that the landlord is selling shares in the building on a co-ownership basis, but telling new owners that they own particular units.

These tenants strongly believe that everyone has a right to live somewhere. If the market isn't providing housing, then government must build low-cost housing. As one of them asked, "How are older people living on fixed incomes supposed to find a place to rent?" For Sandy, this is the second time that he has had to face displacement in less than two years.

CASE STUDY 13 (Situation Type: Not Covered)

Gilles and Danielle are a couple in their mid-thirties, one employed and the other on disability pension, living on an income of $33,000/year. They were displaced a year and a half ago from a two-bedroom apartment renting for under $500/month. They had lived in this unit in a downtown Ottawa neighbourhood for fifteen years.

The owner's proposal to convert the thirty-six unit building into an apartment hotel, and to replace the two-bedroom units with a larger number of one-bedroom units, was initiated just prior to the enactment of the Rental Housing Protection Act. This couple took part in two losing court battles, costing more than $10,000, which sought to halt the conversion.

Gilles and Danielle received their notice to vacate two days before Christmas, stating that their lease would not be renewed when it expired on March 1st, 1987. They found it extremely stressful to look for somewhere else to live after fifteen years. Rents for comparable housing were extremely high, and Danielle had been sick and found the whole process of packing and moving very fatiguing.

The whole experience has left them disillusioned. Although they received some encouragement from City staff, there was no legal support nor were resources made available. As they put it, "It was a totally mind-numbing experience. We felt helpless... the conversion was immoral but not illegal." Despite the fact that the proposal failed to meet parking and other by-law requirements, no charges were laid, and the proposal was carried out. There is a clear need for stronger provincial legislation and tougher municipal enforcement in this policy area.

CASE STUDY 14 (Situation Type: Illegal Activity)

Roger is a widower in his early sixties, employed full-time, sharing a large apartment in a house with one other person. The unit rents for slightly more than $1,000/month. He had lived in the previous unit from which he was displaced for one year, and in the neighbourhood for five years.

The unit from which he had been displaced was a 3+ bedroom unit in a four-plex, renting for $690/month, plus $37/month for hydro. Roger's daughter had been renting another unit in the same four-plex. Both the unit and building were in need of major repair. All the tenants in the four-plex were evicted for owner's own use. The four-plex was sold to a group of investors. These owners have not moved into the units but instead are renovating them and plan to rent them at much higher rents.

He identified several kinds of stress caused by the displacement, including increased commuting time to work and the 45 per cent rent increase. He now lives several miles from his daughter and finds it difficult to see her and her family regularly.

CASE STUDY 15 (Situation Type: Illegal Activity)

Joyce is a single parent in her early forties, employed full-time and supporting one school age child on an income of $17,500/year. She has lived in her two-bedroom unit for 19 years, and in the same Scarborough neighbourhood for 30 years.

The unit rents for $450/month, and both it and the building as a whole are in need of minor repairs. She has been given four months to find a new place to live. Some tenants in the building are fighting to stop the building from being demolished. The same people who bought this building also bought the building next door. They intimidate tenants, repeatedly harass them and can be menacing.

All tenants have been given eviction notices; a few were scared off and left, but the majority have stayed and fought. A provincial inspector came in and determined that the proposed activity was illegal, and ordered it stopped. At least for the time being, nothing is going on and the tenants can stay. She noted that both her local MPP and the staff from the Ministry of Housing were very helpful.

Should she have to move, Joyce expects to pay $850/month for her next rental unit. There simply isn't anything out there that I can afford. Everyone needs housing and government must ensure there are places to move to. She thinks tenants should have a role in making maintenance and repair decisions. There also need to be stronger laws to stop the "flipping" of apartments. Better enforcement of maintenance and repairs are also needed to discourage people from letting buildings deteriorate, in order to sell them to others who would then renovate and charge tenants higher rents.

CASE STUDY 16 (Situation Type: Illegal Activity)

Monika is a single parent with two children, working part-time while completing a course of study at a post-secondary institution, with an income of $15,000/year. Until six weeks ago, she was sharing a three bedroom apartment with another unrelated adult. The unit occupied the entire second floor of a large house in Toronto's Annex neighbourhood. Her share of the rent had been $500/month. She had lived there for two years. There were three units in the house.

All tenants were evicted from the building, which is being renovated. The new owner plans to rent out the renovated units, but used owner's own use as the basis for getting people out. Monika is camping in a tent in city parks while searching for suitable housing. A friend is looking after her children in the meantime.

She feels that existing laws are not protecting tenants. She worries that she will be unable to find decent housing for her children for $600/month or less. She simply cannot afford to pay more. By camping during the summer, she hopes to save the money needed to cover first and last month's rent on a more expensive unit.

IV. RENTAL HOUSING PROTECTION IN OTHER JURISDICTIONS

A. CANADA

1. Nova Scotia

A moratorium on condominium conversions and conversion of use was imposed in Nova Scotia in 1983. Prior to the moratorium nearly 800 units, over 200 in 1977 and 1978 and nearly 550 in 1981 and 1982, had been converted in the Halifax-Dartmouth area, about two per cent of the total occupied rental housing stock.[13] The freeze and subsequent moratorium reportedly halted the conversion of an additional 1,500 units. Anticipated conversions would have represented 5.5 per cent of the rental stock occupied in 1981 had they materialized or been approved.

The Rental Property Conversion Act, 1982, froze all conversions, including condominium conversions, and the moratorium was imposed in 1983 following the Report of the Commission of Inquiry on Rents (September 1983). The main rationale for these actions was the low vacancy rate in the Halifax-Dartmouth area, which was less than one per cent.

Although apartment vacancy rates in the bi-annual CMHC survey subsequently increased from 0.6 per cent in October 1985 to 4.4 per cent in October 1987, there is reportedly little demand from development interests to lift the moratorium, and there are reportedly no plans by the provincial government to do so.[14] There is nevertheless reportedly plenty of condominium activity in the Halifax-Dartmouth area in the form of new construction, at least some of it generated by the moratorium itself. New construction became the only means to satisfy the growing and pent up demand for condominium apartments in the Halifax-Dartmouth market. An abundant supply - some local observers indicate an over-supply - of new condominium units reportedly exists on the market.

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[13] T. Pinfold and W. Collins, Condominium Conversion in the Halifax-Dartmouth Area: The Effects on Tenants and the Rental Market, CMHC (January 1984).

[14] Interview with Joanne Cook, Executive Director, Community Planning Association of Nova Scotia, June 1988.

While it is risky to generalize from one market to another, and especially from a small market to a large one, the above state of affairs may indicate what occurs if and when ownership demand is met or more than met by new construction.

Access to "affordable" rental housing remains an issue in Halifax-Dartmouth. Nova Scotia's current legislation does not cover either demolition or renovation activity, both of which remain subject to control by local councils.

2. Western Canada

There have been relatively few condominium conversions in western Canada, although specific municipal policies in this respect nevertheless merit consideration. A moratorium was placed on condominium conversions in 1973 in Vancouver. An exception is made where two-thirds of tenants concur. Where conversion occurs the applicant must bear the cost of relocation of displaced tenants through an established fee and payment of moving expenses as provided under the Residential Tenancy Act.[15] A similar moratorium was imposed in Victoria in 1974 and tied to a threshold vacancy rate of three per cent.

In Calgary approval is not granted for conversions when the vacancy rate is below three per cent unless 75 per cent of tenants agree to the conversion. Where conversions are approved, displaced tenants must be given 180 days notice and no presales are allowed until the conversion plan is registered. The latter prohibition of presales also applies to new condominiums in most of western Canada. Regina's local Council will similarly approve condominium conversions if the vacancy rate is 3.5 per cent or 75 per cent of tenants are in support.

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[15] Policies in most large western municipalities resemble those in place in Ontario prior to the RHPA.

Under Manitoba legislation preconversion tenants 1) must receive three months notice of the application to convert, 2) have an option to purchase at a price not exceeding the price at which the unit will be marketed, and 3) must be allowed to continue to occupy a unit for a period of at least two years after the registration of the conversion or for a period equal to the number of years the tenant has lived in the building, whichever is greater. Tenants of converted buildings continue to be protected under the Residential Rent Regulation Act.

3. Quebec

A temporary ban on condominium conversions was enacted by the National Assembly in 1975. This legislation coincided with the initial introduction of rent review in Ontario and eight of the nine common law provinces and reflected an already manifest concern, borne from 30 years of rent review experience, that some landlords were circumventing rental controls by withdrawing rental units from the market by means of co-ownership schemes. Although viewed as temporary, the legislation remained in effect for over 12 years.

A government White Paper in early 1987 announced the government's intention to remove the ban on conversions. Parliamentary hearings in August 1987 and what the deputies and government heard at those hearings resulted in alteration of the government's plans. In November 1987 Bill 87, amending the Act regarding the Regie du logement and the Civil Code, was introduced. Bill 87 was intended to correct the problem instances decried by numerous participants in the Parliamentary hearings, to continue the prohibition against conversion to condominiums in municipalities in the Montreal Urban Community (with exceptions) and to authorize conversions elsewhere in the province unless prohibited by local councils (local option). Problems uncovered in the hearings included harassment and retaking possession or eviction to undertake major repair work. These had rendered the moratorium virtually inoperative in the Montreal region. It is the particular measures to correct these problems that are of most interest to observers outside of Quebec.

Bill 87 aimed to extend the jurisdiction of the Regie du logement in conversion matters to cover all buildings that comprise one dwelling, or which had included at least one dwelling during the ten years preceding the request for authorization to the Regie. Thus, authorization of the Regie would be necessary to allow registration of a declaration of co-ownership of a building, whether occupied or not. Many landlords, as appears to be the case in Ontario, had been effecting conversion upon vacancy.

The Act now also prohibits the taking of possession of a unit in a building of four units or less for members of a landlord's family or relatives. Previously, the Act had prohibited such a taking in the case of buildings of five units or more. New owners and spouses in the case of a second dwelling are still permitted to take possession of a building for their own use, although if it should pass that retaking possession had occurred in contravention of the interdiction, so as to evict the tenant and convert the building to condominiums, the latter could obtain damages and exemplary damages.

In the case of harassment the Act now diverts the onus for initiation of action from the tenant to the landlord. Previously, tenants had recourse to the Regie in instances of harassment, but they had to initiate these actions themselves as do tenants in Ontario, and they had to do so upon each instance. Bill 87 imposed fines of from $5,000 to $25,000 on each occasion and for each unit on landlords found to have used tenant harassment to convert a building to condominiums or to obtain the tenant's leave of a rented premises. To assist in the enforcement of this measure, a special service was established in offices of the Regie. Specially trained staff are on hand to ascertain whether the situation is one of abuse or harassment, rather than an isolated instance, and then to counsel tenants on action required: conciliation by the Regie; investigation under the Human Rights Act; or filing of suit under the Civil Code. Harassment is defined as a set of actions against a tenant designed to restrict peaceable enjoyment.

Bill 87 restricted the conditions under which a landlord can undertake major repair work requiring the tenant's temporary removal. Notwithstanding the duration of removal, the landlord must pay the tenant compensation equal to any reasonable expenses caused by the removal. Ten days' notice is now required for removal up to one week, and three months' notice is required for evacuation of longer than a week. As in the case of harassment, an attempt has been made to divert the burden of such removal from tenant to landlord. Tenants are allowed ten days to indicate whether or not they accept a temporary removal notice, and failure to indicate is deemed to be a refusal. In cases of refusals the Regie must render a decision on the status of the temporary removal and establish such conditions as it deems fair and reasonable.

While attempting to close loopholes and abuses that had made the previous moratorium largely inoperative, Bill 87 also loosened considerably the prohibition against condominium conversions. Municipalities within the Montreal Urban Community may adopt by-laws sanctioning conversion as long as the conversion conforms to certain regulations. These must include vacancy rates and they could apply either to a category of buildings or to particular areas of the municipality. Certain categories of persons, notably the disabled and aged, would continue to be protected. Authorization of the Regie du logement is required prior to the registration of a co-ownership or condominium scheme. Landlords found to have harassed tenants to regain possession would be prohibited from attempting to register a co-ownership scheme for three years. Jurisdiction is extended to rental dwellings that have been vacant for up to ten years.

Elsewhere in the Province, conversion to condominiums are now permitted under Bill 87. However, local councils may adopt a by-law to restrict conversion or subject it to certain conditions for the preservation of rental housing stock. Where such by-laws exist, the landlord must first obtain a certificate indicating that the conditions imposed by the municipality have been met.

Bill 87 permits tenants to remain in a building for an unlimited period of time, thus guaranteeing security of tenure for tenants at the time of conversion. Before undertaking actions for the purpose of converting a building to condominiums, the landlord is required to advise each tenant of a notice of intent, the contents of which are specified in the Bill. The *Regie* is required to make available a special service to advise tenants receiving such notices. Once notice is given landlords are prohibited from retaking possession for themselves, family members or qualified relatives. Prior to authorization of a condominium conversion the *Regie* must investigate the history of a building to discover whether there has been tenant harassment in the past, and authorization must be denied where harassment is demonstrated. Also, all existing and previous tenants are allowed damages and exemplary damages in such instances. When the *Regie* grants authorization to convert to condominiums its decision identifies the tenants whose dwellings cannot be subjected to retaking of possession.

At the time of a building's first sale the landlord cannot sell it to a third party prior to offering it to the tenants at the same price and conditions as those agreed upon by the third party. The form for offers to tenants is specified in the Act. From the moment that intent to convert to condominiums is first served to when the owner/occupants form a majority at a co-owners meeting, only maintenance work, urgent repairs necessary to preserve the building, or work on a unit occupied by an owner may be undertaken without authorization of the *Regie*. Visits to a dwelling for purposes of sale are also regulated by the Act.

Bill 87 also provides that purchasers of a converted unit receive adequate information on a building's state, as well as on the condominium's intended operation and administration. An expert's report must be provided for all units intended for sale, and a prospectus must be provided in the case of a building containing five units or more.

4. Conclusion

The tendency throughout Canada is to limit condominium conversions in the interests of protecting existing tenants, as well as the rental housing stock. While municipal councils in western Canada still retain control over policies governing condominium conversions, practically every major city prohibits conversions unless a threshold apartment vacancy rate exists or unless a prescribed proportion of tenants (at least two thirds) approve of the conversion. Additional measures that can be characterized as consumer protection measures are in effect in Alberta, Manitoba and Quebec.

Having replaced its moratorium or condominium conversions and co-ownership schemes, Quebec now has the most comprehensive legislation with respect to both protecting the rental housing stock and protecting tenants against arbitrary landlord actions and prescribing tenants' rights in instances where loss of rental housing stock may be approved.

The administration of measures across Canada is instructive. While approval of planning and building activity remains in the hands of local councils, limited or prescribed by provincial legislation, protection of the rights of tenants in these instances is prescribed by provincial legislation and regulation and administered by provincial governments as well. This represents a magnitude of difference from Ontario, where municipalities are charged with imposing any conditions beyond mandatory notice periods that may protect the rights of tenants where renovation, demolition or conversion is approved. Tenants may obtain treatment that is in excess of what provincial legislation has prescribed (and there are examples of this in all three cities included in this study), but they often do not. The Government of Ontario should examine carefully the respective roles of the province and its municipalities in planning and building approvals and in protecting the rights of tenants.

B. U.S.A.

The City of Boston adopted an anti-conversion law in 1986, which prohibited the conversion of rental housing to condominiums or co-operatives unless a "Removal Permit" had been issued by the Rental Board. Approval was required where a majority of tenants who had resided in a building for one year or longer agreed to purchase their units. The Rental Board had discretionary powers to approve after considering a number of factors, including the impact on certain tenant groups and the effect on the city's affordable rental stock. The Massachusetts Supreme Court subsequently struck down the law, although a modified version of the tenant protection measures remains in effect. Tenants must be guaranteed first option on the purchase of their units. Secondly, tenants are eligible for a removal allowance of from $750 - 1,000 from the owner. Thirdly, largely unfettered security of tenure is guaranteed for certain low-income, handicapped and elderly tenants.

Prior to invalidation the Rental Board was required to consider four criteria before granting a removal permit: 1) the benefits and detriments to the occupants; 2) the hardships imposed on the tenant(s); 3) circumstances demonstrating hardship and inequity to the applicant (landlord); and 4) the rate of vacancy in the City of Boston.

V. INDICATORS OF DEMAND FOR CONVERSION, DEMOLITION AND RENOVATION

One of the objectives of the current study is to determine the demand for activities that might be covered by the RHPA or replacement legislation. At one time "models" of such demand were even discussed, although the term was dropped prior to the initiation of the project in favour of the term "indicators".

We concluded above that buildings for which applications have been made fall into at least two classes: 1) high rise apartment complexes, usually dating from the 1960s and at least 15 years old; and 2) low rise apartment complexes, plexes and converted houses built prior to 1960 and in many instances prior to World War II. The latter seem to have two additional characteristics. They have been characterized by a majority of tenants as needing major or minor repairs. The buildings have been characterized as in greater need of repair than the suites within them. A combination of tenant demands and attention and landlord priorities is likely to have resulted in the discrepancy. Maintaining individual suites also maintains marketability, an important factor in whether or not there is a market for an apartment in all conditions except maybe the current ones. Secondly, their rents seem to have been considerably less than average.

It may well be useful to further disaggregate the rental housing market to arrive at useful indicators of future demand, with or without the existence of rental housing protection legislation. Applications for demolition are often not surprisingly for underutilized sites with older low-rise buildings. These sites may simply be in "good" or "up and coming" neighbourhoods or convenient to downtown or above average transportation facilities. The buildings on these properties, as well as the rents for the rooms/apartments in them, are often, but not always, similar to buildings characterized by renovation and repair applications. Each separate category of RHPA-covered category is characterized by different property characteristics.

The effect of the RHPA itself on the nature of applications and approvals cannot be discounted entirely either. Several demolition approvals have been granted in Toronto and Ottawa for sites to be occupied by social housing projects, often under one or other of the provincial government's housing assistance programs. A private developer would have undoubtedly been put off by the knowledge that an application for housing with "up-scale" rents - and hardly anything else can be built in the present market - would have been rejected for its effect on the supply of affordable housing. While doubts linger as to whether the households currently living in units on sites that will be occupied by social housing in the future will be or can be rehoused in these projects, it is certainly true that social housing projects have a less serious impact on the supply of affordable units than private developments with "up-scale" rents.[16]

1. Market for Condominium Conversions

In their study for Clarkson Gordon Inc., then receivers for the infamous Cadillac-Fairview Apartments that were traded for increasing values in 1982, Clayton Research Associates summarize and assess the causes of demand for condominium conversions.[17] The "demand" school asserts that the high and increasing demand for home ownership is the primary cause for condominium conversion. That home ownership propensities have been increasing, especially for smaller households, has been reasonably well documented.[18] Our surveys of tenants above found that the primary reason for home or condominium purchase by dislocated tenants was the desire to build up equity, although they only made the investment if they could afford to do so.

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[16] As has been indicated above, interim housing is a problem. Many households may not want to move twice. Although displaced tenants are often given a priority in the new housing, some may not qualify and others may simply not like it. Others will of course be very satisfied, and be suspect that those displaced tenants in our survey whose new rent decreased by six per cent may be happier with the outcome than most.

[17] Causes and Consequences of Condominium Conversions: A Policy Framework for the City of Toronto (Scarborough, Ontario, April 25, 1986).

[18] Jeffrey Patterson, Rent Review in Ontario and Factors Affecting the Supply of Rental Housing (Social Planning Council of Metropolitan Toronto, Discussion Paper on Social Policy, #1., 1985).

A second school of thought labelled the "inadequate rate of return" view argues that owners with low rates of return seek high rates. The fact that the value of rental housing is higher if marketed to owner-occupants than if rented or sold as a rental building gives rental property owners a strong incentive to convert their buildings to condominiums.

These arguments are not mutually exclusive -- rental buildings in general and specific rental buildings in particular can only be marketed to condominium buyers if there is demand -- and Clayton naturally concludes that both factors are at work in the Toronto market. One could probably generalize to other Ontario large urban centre markets, including Hamilton and Ottawa.

Agreement on the causes of demand for condominium conversion does little or nothing to assist in estimating the size of the market. Past activity in Ontario was severely restricted even prior to the enactment of the RHPA, although demand for condominium (and "equity co-op") conversions in the late 1970s and early 1980s when approvals were easier to obtain may be an accurate indicator of demand. The rate of conversion in 1976 and 1977 in Metropolitan Toronto, the peak years, averaged slightly over 1,100 units/year or 0.3 per cent of the private rental stock.[19] A total of about one per cent of the rental units in Metropolitan Toronto were converted from 1976 to 1985.

As indicated above in the discussion of Nova Scotia legislation, total conversions in Halifax-Dartmouth might have exceeded five per cent in the early 1980s if all of the anticipated conversions had been allowed to occur. In Winnipeg where tenants have traditionally possessed right-of-occupancy of buildings approved for conversion total conversions added to over 11 per cent of the rental housing stock from 1970 - 1985. Over 75 per cent of the conversion took place between 1977 and 1982.[20]

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[19] Clayton Research Associates, Ibid., p.31.

Total condominium conversions in American cities in the 1970s ranged from about one per cent of the rental housing stock in such cities as New York and San Francisco to seven and eight per cent in Chicago and Washington, D.C., respectively.[21] Condominium conversion activity has reportedly declined considerably in the 1980s.

Ultimate demand for conversion, of course, also depends on the demand for and supply of new condominium units. Converted units and older, existing condominium units, will likely compete in the same market. The two markets are connected. An ultimate demand for conversion of ten per cent of the existing rental housing stock would mean the loss of 35,000 rental housing units in Metropolitan Toronto and 2,000 in each of Hamilton and Ottawa. As was discussed above, higher quality rental buildings in desirable locations are the prime candidates for rental conversion. One of the reasons for the demand to convert the Cadillac-Fairview Apartment Buildings to condominium tenure is reportedly their location on subway lines not too distant from the city centre.

The demand for new condominium units also potentially affects the demand for building demolition. While many sites for new condominium complexes in downtown Toronto have been under-utilized commercial or commercial/residential properties, others have been residential properties. Several of the demolition applications near downtown Hamilton and Ottawa have been for condominium projects.[22]

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[20] Ibid., p.33.

[21] Ibid., p.36.

[22] As noted above the developers of most of these sites have pledged to provide similar housing at similar rents in the same area, although the precise rehousing plans are not certain. Nor is it certain how closely the agreements will be monitored. In the case of the largest demolition application in Hamilton (30 units) the RHPA applicant has agreed to delay demolition for up to 12 months and to assist with relocation, although the

2. Demand for Renovation and Repair

The need to repair the rental stock is, of course, insatiable, and much has been written in recent years about the need to invest large amounts of capital towards the conservation of high rise buildings. This class of repair may ultimately affect rent levels, but will usually not require vacant possession of apartments to carry out the repairs. It was also suggested above that even some very substantial repairs, such as those that may be encouraged under the Low Rise Rehabilitation Program, may also be carried out without requiring vacant possession. On other occasions short vacancies may be accommodated when landlords and tenants, often with the support of government programs, reach agreement on the length of a short absence to enable repairs to be undertaken.

Renovation activities that are of primary concern to this study are those intended to make a building or apartment marketable to a whole different class of tenants with considerably higher rent-paying ability. The market for such activities, as in the case of the market for condominium conversions, is dependent on the potential demand for renovated units, as well as the motivation of landlords to satisfy this demand. Low rates of return are one motivation. Rates of return that are low relative to their potential are also a motivation.

The largest number of applications for renovation and repair have been with respect to properties, often characterized as run down, and located in the inner cities of the large urban areas included in this study. Most tenants of these properties, as was seen above, responded that their buildings and units were in need of major or minor repair. Their rents are relatively low, although perhaps not for the quality of accommodation offered. These property, building and unit characteristics also apply to many of the applications that were withdrawn or exempt as a result of vacant

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nature of this assistance was not specified in Council's approval.

buildings. While the current rent review program does not encourage "luxury" renovations to the same extent as the one it replaced in 1985, some observers feel that it nevertheless still encourages renovation. In any event, it can be suggested that "luxury" renovation of these properties may be motivated by the quest for increased rates of return that might come from renting better units to a different category of tenants, perhaps with lower turnover characteristics or fewer children.

It is difficult to predict the market for renovation and repair in the absence of rental housing protection legislation. It may be as great as the market for deconversion of owner-tenant properties, and over 30 per cent of these properties have been subjected to deconversion in the past decade. Rising inner city property values are likely an indicator of the potential demand for renovated properties in the inner city.

3. Conclusion

There is undoubtedly demand for condominium conversion, renovation and demolition in the future. This market is greatest in inner city areas. Most of the units potentially affected in the absence of controls are not luxury units. Their rents fall within the "affordable" class. They may be occupied by tenants of average income or less. Those most likely to be affected by demolition or renovation applications often have rents affordable by tenants in the low or moderate income class. In our discussion of affordability above, we concluded that the supply of these units had decreased during the early 1980s. Continued controls are necessary as is careful attention to the interests of tenants and to the long-term characteristics of the rental housing stock in considering these applications.

The long-term solution to a shortage of affordable housing is greater supply.

APPENDIX 'A'

HOUSING AFFORDABILITY

TABLE A - 1: Affordable Rental Units, Number and Percentage of Total Units 1981-1987

	Bachelor Units		1 Bedroom Units		2 Bedroom Units		3+ Bedroom Units		Total Units	
	Number	%	Number	%	Number	%	Number	%	Number	%
Toronto										
April 1981	4,664	50.8%	11,056	48.1%	3,342	35.2%	256	27.3%	19,318	45.3%
April 1985	5,333	40.7%	9,939	34.7%	3,133	24.0%	304	20.1%	18,709	33.2%
April 1986	5,131	42.1%	11,141	36.5%	2,800	21.0%	223	16.3%	19,295	33.6%
October 1987	8,021	61.7%	12,181	39.8%	3,623	27.7%	168	11.0%	23,993	41.2%
York										
April 1981	713	71.2%	3,225	65.6%	1,899	58.1%	310	59.8%	6,147	63.4%
April 1985	610	70.3%	2,874	64.6%	1,823	59.5%	343	67.5%	5,650	63.6%
April 1986	562	71.3%	2,679	59.1%	1,892	58.9%	337	66.2%	5,470	60.5%
October 1987	833	81.8%	4,119	69.3%	2,523	65.0%	388	71.1%	7,863	69.1%
East York										
April 1981	606	68.3%	4,179	56.7%	2,873	60.6%	362	39.4%	8,020	57.6%
April 1985	503	59.0%	4,566	62.5%	2,482	53.4%	299	32.6%	7,850	57.2%
April 1986	431	54.5%	4,593	63.8%	2,571	55.2%	518	54.5%	8,113	59.7%
October 1987	540	67.9%	4,413	60.1%	2,554	55.0%	602	59.7%	8,109	58.8%
North York										
April 1981	467	64.3%	10,478	62.0%	14,304	65.2%	4,015	62.7%	29,264	63.6%
April 1985	274	41.7%	8,005	47.9%	11,034	50.0%	3,209	52.3%	22,522	49.4%
April 1986	334	46.2%	7,400	43.6%	11,415	50.3%	3,044	46.8%	22,193	47.3%
October 1987	303	67.3%	8,098	53.5%	10,574	49.9%	2,456	41.2%	21,431	50.2%
Scarborough										
April 1981	296	67.0%	6,101	65.2%	8,542	65.3%	1,685	64.2%	16,624	65.2%
April 1985	205	56.9%	4,554	48.7%	6,849	50.8%	1,360	47.3%	12,968	49.7%
April 1986	185	43.8%	4,855	49.3%	6,674	49.1%	1,293	44.7%	13,007	48.6%
October 1987	304	60.8%	5,148	51.0%	7,067	51.9%	1,216	47.4%	13,735	51.3%
Etobicoke										
April 1981	522	79.9%	4,211	58.4%	6,153	54.0%	1,577	40.9%	12,463	53.9%
April 1985	511	82.4%	4,084	58.5%	5,379	49.0%	1,487	42.8%	11,461	52.0%
April 1986	527	84.8%	4,427	61.2%	5,999	49.6%	1,236	31.1%	12,189	50.9%
October 1987	573	88.1%	4,679	67.2%	6,441	55.6%	1,495	38.6%	13,188	57.2%
Metro Toronto										
April 1981	7,268	56.3%	39,250	57.1%	37,113	58.1%	8,204	53.8%	91,835	57.1%
April 1985	7,436	45.1%	34,022	46.3%	30,700	45.6%	7,002	45.4%	79,160	45.9%
April 1986	7,169	46.1%	35,095	46.0%	31,351	45.0%	6,651	41.1%	80,266	45.2%
October 1987	10,586	64.5%	38,643	50.8%	32,781	48.2%	6,333	40.9%	88,343	50.2%
CMA Fringe										
April 1981	731	83.3%	7,783	71.2%	10,746	65.9%	2,222	66.8%	21,482	68.3%
April 1985	805	82.2%	7,732	50.8%	10,170	43.3%	1,804	37.7%	20,511	46.1%
April 1986	776	77.9%	7,203	46.3%	9,902	41.1%	1,490	30.1%	19,371	42.5%
October 1987	729	73.9%	6,624	47.1%	9,607	44.6%	1,447	31.3%	18,407	44.7%
Toronto CMA										
April 1981	7,999	58.1%	47,033	59.0%	47,859	59.7%	10,426	56.1%	113,317	58.9%
April 1985	8241	47.2%	41,754	47.1%	40,870	45.0%	8,806	43.6%	99,671	45.9%
April 1986	7945	48.1%	42,298	46.1%	41,253	44.0%	8,141	38.5%	99,637	44.6%
October 1987	11315	65.0%	45,267	50.2%	42,388	47.4%	7,780	38.7%	106,750	49.1%

Source: Canada Mortgage and Housing Corporation, Rental Market Survey, April 1981, 1985, 1986, October 1987

Note: includes apartment buildings of 6+ units only.

TABLE A - 1 (continued) Affordable Rental Units, Number and Percentage of Total Units 1981-1987

	Bachelor Units		1 Bedroom Units		2 Bedroom Units		3+ Bedroom Units		Total Units	
	Number	%	Number	%	Number	%	Number	%	Number	%
Ottawa City										
April 1981	1,760	49.7%	8,918	53.3%	6,125	57.0%	480	46.6%	17,283	54.0%
April 1985	1,122	31.4%	6,279	34.2%	4,738	38.5%	483	34.6%	12,622	35.4%
April 1986	910	23.9%	6,009	31.9%	4,923	38.2%	440	38.7%	12,282	33.5%
October 1987	878	24.6%	5,901	32.1%	4,534	33.8%	383	31.0%	11,696	31.9%
CMA Fringe										
April 1981	39	19.5%	775	33.3%	1,109	36.6%	370	84.3%	2,293	38.2%
April 1985	24	8.1%	580	18.8%	1,520	35.0%	370	52.5%	2,494	29.6%
April 1986	58	17.4%	850	24.2%	1,760	37.0%	337	48.6%	3,005	32.3%
October 1987	92	27.2%	1,690	43.6%	2,306	37.5%	358	66.8%	4,446	40.8%
Total CMA										
April 1981	1,799	48.1%	9,693	50.9%	7,234	52.5%	850	57.9%	19,576	51.5%
April 1985	1,146	29.6%	6,859	32.0%	6,258	37.6%	853	40.6%	15,116	34.3%
April 1986	968	23.4%	6,859	30.7%	6,683	37.9%	777	42.4%	15,287	33.2%
October 1987	970	24.8%	7,591	34.1%	6,840	35.0%	741	41.8%	16,142	34.0%

Affordable Rental Units, Number and Percentage of Total Units 1981-1987

	Bachelor Units		1 Bedroom Units		2 Bedroom Units		3+ Bedroom Units		Total Units	
	Number	%	Number	%	Number	%	Number	%	Number	%
Hamilton City										
April 1981	550	43.3%	7,292	61.9%	6,790	63.6%	637	61.1%	15,269	61.6%
April 1985	456	37.9%	6,408	54.0%	5,689	54.7%	671	61.7%	13,224	53.8%
April 1986	399	34.8%	5,806	50.5%	5,797	55.2%	683	62.9%	12,685	52.3%
October 1987	456	30.1%	6,927	52.8%	6,760	54.6%	653	57.4%	14,796	52.6%
CMA Fringe										
April 1981	30	31.3%	847	26.2%	2,432	46.0%	362	49.1%	3,671	39.3%
April 1985	24	28.9%	622	19.2%	1,781	33.0%	271	39.1%	2,698	28.7%
April 1986	16	20.3%	496	15.9%	1,982	38.4%	292	43.2%	2,786	30.9%
October 1987	71	48.3%	446	15.2%	1,368	28.9%	218	27.4%	2,103	24.4%
CMA Total										
April 1981	580	42.5%	8,139	54.2%	9,222	57.8%	999	56.1%	18,940	55.5%
April 1985	480	37.3%	7,030	46.5%	7,470	47.3%	942	52.9%	15,922	46.6%
April 1986	415	33.8%	6,302	43.1%	7,779	49.7%	975	55.3%	15,471	46.5%
October 1987	527	31.7%	7,373	46.0%	8,128	47.5%	871	45.1%	16,899	46.0%

Source: Canada Mortgage and Housing Corporation, Rental Market Survey, April 1981, 1985, 1986, October 1987.

Note: Includes apartment buildings of 6+ units only.

TABLE A - 2

TORONTO CMA BACHELOR UNITS, AVERAGE RENT AND AFFORDABILITY 1981 AND 1987
(by zone)

Zone	Sample Units 1981	Avg. Rent 1981	Per Cent Affordable	Sample Units 1987	Avg. Rent 1987	Per Cent Affordable	Per Cent Rent Increase 1981-1987
Zone 1	2,420	$303	19.8%	5,445	$415	52.2%	37.0%
Zone 2	492	228	93.3%	668	345	81.0%	51.3%
Zone 3	3,797	256	60.3%	3,661	375	71.6%	46.5%
Zone 4	2,480	254	57.8%	3,218	384	62.8%	
Toronto	9,189	267	50.8%	12,999	392	61.7%	46.8%
Zone 5	160	$277	33.1%	88	$366	84.1%	32.1%
Zone 6	493	224	95.1%	563	313	88.8%	39.7%
Etobicoke	653	237	79.9%	651	320	88.1%	35.0%
Zone 8 York	1,002	$242	71.2%	1,018	319	81.8%	31.8%
Zone 9 East York	887	$262	68.3%	796	381	67.9%	45.4%
Zone 7 Scarborough	442	$254	67.0%	500	385	60.8%	51.6%
Zone 10	279	$290	34.4%	148	$329	85.1%	13.4%
Zone 11	447	235	83.0%	302	365	59.3%	55.3%
North York	726	256	64.3%	450	353	67.3%	37.9%
Metro Toronto	12,899	$262	56.3%	16,414	383	64.5%	46.2%
Zone 12 Mississauga	526	$235	79.1%	493	351	74.0%	49.4%
Zone 15 Oakville	102	212	98.0%	140	319	82.0%	50.5%
Zone 16 Brampton	150	231	88.7%	205	382	66.5%	65.4%
Zone 17	5	190	100.0%	0			
Zone 18 Richmond	53	252	66.0%	71	360	66.4%	42.9%
Zone 19	37	170	100.0%	59	321	87.7%	88.8%
Zone 20 Markham	5	214	100.0%	0			
Toronto CMA	13,777	260	58.1%	17,400	381	65.0%	46.5%

Source: CMHC Rental Market Survey, April 1981, October 1987.

TABLE A - 2 (continued)

TORONTO CMA ONE BEDROOM UNITS, AVERAGE RENT AND AFFORDABILITY 1981 AND 1987
(by zone)

Zone	Sample Units 1981	Avg. Rent 1981	Per Cent Affordable	Sample Units 1987	Avg. Rent 1987	Per Cent Affordable	Per Cent Rent Increase 1981-1987
Zone 1	4,608	$366	23.3%	11,346	$538	26.5%	47.0%
Zone 2	1,521	279	70.0%	1,913	440	58.7%	57.7%
Zone 3	10,758	325	43.5%	10,656	473	46.4%	45.5%
Zone 4	6,119	293	69.3%	6,715	496	46.2%	69.3%
Toronto	23,006	322	48.1%	30,630	500	39.8%	55.3%
Zone 5	4,564	$316	41.5%	3,997	$466	56.0%	47.5%
Zone 6	2,651	262	87.3%	2,996	386	82.3%	47.3%
Etobicoke	7,215	296	58.4%	6,963	432	67.2%	45.9%
York	4,913	290	65.6%	5,939	$421	69.3%	45.2%
East York	7,372	300	56.7%	7,342	$450	60.1%	50.0%
Scarborough	9,360	301	65.2%	10,090	$472	51.0%	56.8%
Zone 10	7,091	$303	61.5%	7,014	$462	49.0%	52.5%
Zone 11	9,814	293	62.3%	8,133	436	57.3%	48.8%
North York	16,905	297	62.0%	15,147	448	53.5%	50.8%
Metro Toronto	68,771	$306	57.1%	76,111	$469	50.8%	53.3%
Zone 12 Mississauga	6,996	$293	68.5%	8,725	492	46.1%	67.9%
Zone 15 Oakville	1,007	283	85.8%	1,268	465	53.2%	64.3%
Zone 16 Brampton	1,602	284	72.8%	2,745	499	43.9%	75.7%
Zone 17	6	270	100.0%	20	409	86.8%	51.5%
Zone 18 Richmond	537	296	66.3%	468	468	53.8%	58.1%
Zone 19	434	269	85.8%	557	429	59.1%	59.5%
Zone 20 Markham	341	299	65.6%	291	445	39.0%	48.8%
Toronto CMA	79,694	304	59.0%	90,185	472	50.2%	55.3%

Source: CMHC Rental Market Survey, April 1981, October 1987.

TABLE A - 2 (continued)

TORONTO CMA TWO BEDROOM UNITS, AVERAGE RENT AND AFFORDABILITY 1981 AND 1987
(by zone)

Zone	Sample Units 1981	Avg. Rent 1981	Per Cent Affordable	Sample Units 1987	Avg. Rent 1987	Per Cent Affordable	Per Cent Rent Increase 1981-1987
Zone 1	1,321	$448	20.1%	4,508	$691	18.2%	54.2%
Zone 2	556	327	50.9%	564	574	31.0%	75.5%
Zone 3	5,233	401	28.3%	5,265	648	29.6%	61.6%
Zone 4	2,386	353	55.0%	2,723	633	39.2%	79.3%
Toronto	9,496	391	35.2%	13,060	$657	27.7%	68.0%
Zone 5	8,942	$375	43.6%	8,789	$565	46.8%	50.7%
Zone 6	2,449	302	91.9%	2,792	$465	80.0%	54.0%
Etobicoke	11,391	359	54.0%	11,581	548	55.6%	52.6%
Zone 8 York	3,267	$362	58.1%	3,880	$508	65.0%	40.3%
Zone 9 East York	4,742	$357	60.6%	4,645	$515	55.0%	44.3%
Zone 7 Scarborough	13,077	$345	65.3%	13,628	$550	51.9%	59.4%
Zone 10	9,615	$358	61.8%	10,660	$577	42.3%	61.2%
Zone 11	12,333	341	67.8%	10,516	516	57.7%	51.3%
North York	21,948	348	65.2%	21,176	547	49.9%	57.2%
Metro Toronto	63,921	357	58.1%	67,970	$564	48.2%	58.0%
Zone 12 Mississauga	9,955	$353	61.8%	12,423	$594	43.1%	68.3%
Zone 15 Oakville	1,692	328	81.4%	2,270	565	54.8%	72.3%
Zone 16 Brampton	2,336	337	67.5%	4,624	607	36.1%	80.1%
Zone 17	7	290	100.0%	54	485	87.2%	67.2%
Zone 18 Richmond	716	343	71.3%	634	553	54.3%	61.2%
Zone 19	1,096	337	64.6%	1,184	504	58.3%	49.6%
Zone 20 Markham	502	332	82.2%	347	488	76.1%	47.0%
Toronto CMA	80,225	355	59.7%	89,506	569	47.4%	60.3%

Source: CMHC Rental Market Survey, April 1981, October 1987.

TABLE A - 2 (continued)

TORONTO CMA 3+ BEDROOM UNITS, AVERAGE RENT AND AFFORDABILITY 1981 AND 1987
(by zone)

Zone	Sample Units 1981	Avg. Rent 1981	Per Cent Affordable	Sample Units 1987	Avg. Rent 1987	Per Cent Affordable	Per Cent Rent Increase 1981-1987
Zone 1	136	$510	.0%	449	$1,087	4.3%	113.1%
Zone 2	20	357	100.0%	18	621	22.4%	73.9%
Zone 3	665	464	27.6%	822	1167	14.9%	151.5%
Zone 4	118	422	44.8%	236	781	7.8%	85.1%
Toronto	939	463	27.3%	1,525	$1,077	11.0%	132.6%
Zone 5	3,700	$435	38.7%	3,663	$707	36.1%	62.5%
Zone 6	156	378	92.0%	212	536	81.3%	41.8%
Etobicoke	3,856	432	40.9%	3,875	697	38.6%	61.3%
Zone 8 York	518	421	59.8%	545	$570	71.1%	35.4%
Zone 9 East York	918	431	39.4%	1,007	$670	59.7%	55.5%
Zone 7 Scarborough	2,624	408	64.2%	2,566	$659	47.4%	61.5%
Zone 10	3,103	$417	58.2%	3,476	$653	38.9%	56.6%
Zone 11	3,300	403	67.0%	2,479	629	44.5%	56.1%
North York	6,403	410	62.7%	5,955	643	41.2%	56.8%
Metro Toronto	15,258	420	53.8%	15,473	$702	40.9%	67.1%
Zone 12 Mississauga	2,160	411	60.3%	2,329	$697	40.4%	69.6%
Zone 15 Oakville	303	398	76.9%	421	727	27.2%	82.7%
Zone 16 Brampton	509	368	90.5%	881	717	23.4%	94.8%
Zone 17	0		.0%	7		.0%	
Zone 18 Richmond	78	437	46.2%	65	759	.0%	73.7%
Zone 19	232	401	.0%	889	660	12.3%	64.6%
Zone 20 Markham	44	388	82.7%	29	530	97.0%	36.6%
Toronto CMA	18,584	417	56.1%	20,094	700	38.7%	67.9%

Source: CMHC Rental Market Survey, April 1981, October 1987.

TABLE A - 2 (continued)

OTTAWA CMA BACHELOR UNITS, AVERAGE RENT AND AFFORDABILITY 1981 AND 1987
(by Zone)

Zone	Sample Units 1981	Avg. Rent 1981	Per Cent Affordable	Sample Units 1987	Avg. Rent 1987	Per Cent Affordable	Per Cent Rent Increase 1981-1987
Zone 1	1,248	$227	46.8%	1,122	$368	22.8%	62.1%
Zone 2	648	222	53.2%	660	349	35.5%	57.2%
Zone 3	453	205	78.0%	596	345	35.1%	68.3%
Zone 4	353	234	27.8%	314	354	8.0%	51.3%
Zone 5	841	227	45.2%	883	358	14.7%	57.7%
Ottawa City	3,543	224	49.7%	3,575	357	24.6%	59.4%
Zone 6	65	232	26.2%	113	320	66.4%	37.9%
Zone 7	74	238	29.7%	107	436	.0%	83.2%
Zone 8	61	287	.0%	118	400	.0%	39.4%
Total CMA	3,743	225	48.1%	3,913	359	24.8%	59.6%

Source: CMHC Rental Market Survey, April 1981, October 1987.

OTTAWA CMA ONE BEDROOM UNITS, AVERAGE RENT AND AFFORDABILITY 1981 AND 1987
(by Zone)

Zone	Sample Units 1981	Avg. Rent 1981	Per Cent Affordable	Sample Units 1987	Avg. Rent 1987	Per Cent Affordable	Per Cent Rent Increase 1981-1987
Zone 1	3,632	$293	44.0%	3,524	$467	24.9%	59.4%
Zone 2	1,933	285	56.7%	2,039	448	33.7%	57.2%
Zone 3	1,836	247	91.8%	3,059	442	41.6%	78.9%
Zone 4	4,376	289	40.6%	4,440	439	30.9%	51.9%
Zone 5	4,940	280	55.9%	5,343	449	30.9%	60.4%
Ottawa City	16,717	282	53.3%	18,405	449	32.1%	59.2%
Zone 6	510	234	100.0%	1,349	403	64.4%	72.2%
Zone 7	480	304	32.5%	704	506	.0%	66.4%
Zone 8	1,337	305	8.1%	1,824	436	44.3%	43.0%
Total CMA	19,044	283	50.9%	22,282	447	34.1%	58.0%

Source: CMHC Rental Market Survey, April 1981, October 1987.

TABLE A - 2 (continued)

OTTAWA CMA TWO BEDROOM UNITS, AVERAGE RENT AND AFFORDABILITY 1981 AND 1987
(by Zone)

Zone	Sample Units 1981	Avg. Rent 1981	Per Cent Affordable	Sample Units 1987	Avg. Rent 1987	Per Cent Affordable	Per Cent Rent Increase 1981-1987
Zone 1	1,055	$368	45.8%	1,732	$691	12.0%	87.8%
Zone 2	1,348	357	54.3%	1,139	604	22.3%	69.2%
Zone 3	575	319	73.6%	1,592	596	38.0%	86.8%
Zone 4	3,726	356	49.1%	4,503	552	31.5%	55.1%
Zone 5	4,035	334	65.8%	4,434	534	45.2%	59.9%
Ottawa City	10,739	347	57.0%	13,400	574	33.8%	65.4%
Zone 6	328	275	100.0%	1,339	478	64.8%	73.8%
Zone 7	746	343	47.6%	1,710	628	8.0%	83.1%
Zone 8	1,956	368	21.8%	3,103	559	41.3%	51.9%
Total CMA	13,769	348	52.5%	19,552	570	35.0%	63.8%

Source: CMHC Rental Market Survey, April 1981, October 1987.

OTTAWA CMA 3+ BEDROOM UNITS, AVERAGE RENT AND AFFORDABILITY 1981 AND 1987
(by Zone)

Zone	Sample Units 1981	Avg. Rent 1981	Per Cent Affordable	Sample Units 1987	Avg. Rent 1987	Per Cent Affordable	Per Cent Rent Increase 1981-1987
Zone 1	57	$442	17.1%	117	$713	1.7%	61.3%
Zone 2	225	449	50.3%	148	916	10.0%	104.0%
Zone 3	18	353	94.4%	222	790	1.3%	123.8%
Zone 4	309	435	41.1%	327	646	34.4%	48.5%
Zone 5	421	437	50.5%	424	621	51.4%	42.1%
Ottawa City	1,030	438	46.6%	1,238	702	31.0%	60.3%
Zone 6	30	346	100.0%	80	659	28.9%	90.5%
Zone 7	105	380	100.0%	175	613	59.8%	61.3%
Zone 8	304	386	77.5%	281	555	81.8%	43.8%
Total CMA	1,469	421	57.9%	1,774	668	41.8%	58.7%

Source: CMHC Rental Market Survey, April 1981, October 1987.

TABLE A - 2 (continued)

HAMILTON CMA BACHELOR UNITS, AVERAGE RENT AND AFFORDABILITY 1981 AND 1987
(by zone)

Zone	Sample Units 1981	Avg. Rent 1981	Per Cent Affordable	Sample Units 1987	Avg. Rent 1987	Per Cent Affordable	Per Cent Rent Increase 1981-1987
Zone 1	752	$177	41.9%	761	$277	31.4%	56.5%
Zone 2	65	162	92.3%	135	310	26.7%	91.4%
Zone 3	40	205	12.5%	43	295	22.3%	43.9%
Zone 4	126	158	67.5%	212	300	46.7%	89.9%
Zone 5	154	196	20.8%	158	298	9.5%	52.0%
Zone 6	132	190	40.2%	207	306	26.9%	61.1%
Hamilton City	1,269	179	43.3%	1,516	290	30.1%	62.0%
Zone 7 Stoney Creek	13	192	38.5%	8		.0%	
Zone 8 Burlington	57	194	17.5%	64	326	.0%	68.0%
Zone 9 Dundas	17	168	58.8%	20	247	55.0%	47.0%
Zone 10	9	179	55.6%	55	211	89.1%	17.9%
Total CMA	1,365	180	42.5%	1,663	288	31.7%	60.0%

Source: CMHC Rental Market Survey, April 1981, October 1987.

HAMILTON CMA ONE BEDROOM UNITS, AVERAGE RENT AND AFFORDABILITY 1981 AND 1987
(by zone)

Zone	Sample Units 1981	Avg. Rent 1981	Per Cent Affordable	Sample Units 1987	Avg. Rent 1987	Per Cent Affordable	Per Cent Rent Increase 1981-1987
Zone 1	4,690	$229	58.4%	5,222	$360	41.4%	57.2%
Zone 2	1,300	211	75.3%	1,179	326	65.4%	54.5%
Zone 3	1,499	236	53.7%	1,390	349	49.5%	47.9%
Zone 4	767	218	69.4%	1,010	330	73.0%	51.4%
Zone 5	1,114	233	52.8%	1,205	341	57.6%	46.4%
Zone 6	2,409	225	68.5%	3,105	341	60.4%	51.6%
Hamilton City	11,779	227	61.9%	13,111	347	52.8%	52.9%
Zone 7 Stoney Creek	539	228	59.8%	149	344	45.6%	50.9%
Zone 8 Burlington	2,162	277	12.3%	2,350	451	8.3%	62.8%
Zone 9 Dundas	364	244	48.7%	235	360	35.7%	47.5%
Zone 10	163	236	49.8%	197	333	50.0%	41.1%
Total CMA	15,007	235	54.2%	16,042	362	46.0%	54.0%

Source: CMHC Rental Market Survey, April 1981, October 1987.

TABLE A - 2 (continued)

HAMILTON CMA TWO BEDROOM UNITS, AVERAGE RENT AND AFFORDABILITY 1981 AND 1987
(by zone)

Zone	Sample Units 1981	Avg. Rent 1981	Per Cent Affordable	Sample Units 1987	Avg. Rent 1987	Per Cent Affordable	Per Cent Rent Increase 1981-1987
Zone 1	2,774	$295	43.2%	3,425	$450	37.4%	52.5%
Zone 2	1,034	254	74.6%	958	400	56.8%	57.5%
Zone 3	2,757	270	70.0%	2,691	410	59.5%	51.9%
Zone 4	598	248	84.1%	947	378	75.2%	52.4%
Zone 5	1,106	275	61.3%	1,125	413	51.9%	50.2%
Zone 6	2,412	265	70.8%	3,231	406	63.1%	53.2%
Hamilton City	10,681	273	63.6%	12,377	417	54.6%	52.7%
Zone 7 Stoney Creek	750	261	90.1%	291	371	97.9%	42.1%
Zone 8 Burlington	3,605	310	35.9%	3,946	498	23.0%	60.6%
Zone 9 Dundas	690	331	38.7%	260	465	32.9%	40.5%
Zone 10	237	266	83.0%	234	415	31.2%	56.0%
Total CMA	15,963	284	57.8%	17,108	436	47.5%	53.5%

Source: CMHC Rental Market Survey, April 1981, October 1987.

HAMILTON CMA THREE BEDROOM UNITS, AVERAGE RENT AND AFFORDABILITY 1981 AND 1987
(by zone)

Zone	Sample Units 1981	Avg. Rent 1981	Per Cent Affordable	Sample Units 1987	Avg. Rent 1987	Per Cent Affordable	Per Cent Rent Increase 1981-1987
Zone 1	238	$371	43.8%	185	$566	33.8%	52.6%
Zone 2	119	304	95.4%	25	411	10.0%	35.2%
Zone 3	258	336	55.3%	287	501	57.8%	49.1%
Zone 4	55	300	96.4%	93	439	73.1%	46.3%
Zone 5	186	354	43.4%	184	504	51.1%	42.4%
Zone 6	187	327	76.4%	362	528	59.0%	61.5%
Hamilton City	1,043	340	61.1%	1,136	514	57.4%	51.2%
Zone 7 Stoney Creek	72	311	96.7%	78	433	100.0%	39.2%
Zone 8 Burlington	592	380	41.4%	645	637	15.5%	67.6%
Zone 9 Dundas	46	375	56.5%	41	527	9.8%	40.5%
Zone 10	28	339	75.0%	31	487	22.6%	43.7%
Total CMA	1,781	353	56.1%	1,931	551	45.1%	56.1%

Source: CMHC Rental Market Survey, April 1981, October 1987.

APPENDIX 'B'

SUMMARY OF RHPA APPLICATIONS

Table B-1

SUMMARY OF RHPA APPLICATIONS, JUNE 1988

	Type[1]	Change in		Planner Recommendation	Criteria	Council Decision	Status
		Rooms	Apts.				
Toronto							
78 Crescent Rd.	CD		-4	Approval	*[2]	Confirm	Approved
432-6 Ontario St.	CD		-3	Approval	*	Confirm	Approved
1 Benvenuto Pl.	CD		-122	Approval	3	Rejected	OMB Appeal
333-5 Walmer Rd.	CD		-4	Approval	*	Confirm	Approval
111-23 Springhurst	DE		-25	Approval	3	Confirm	Approval
141 Admiral Rd.	RR	-14	+11	Approval	3	Exempt	Exempt
182 Walmer Rd.	RR	-10	+4	Exempt	3	Exempt	Exempt
12 Lansdowne Ave.	RR		-15	Approval	2	Confirm	Pending
170 Roxborough St. E.	CD		-2	Approval	*	Confirm	Approval
1924-30, 1944 Yonge St.	DE		-98	Approval	2	Pending	Pending
393 King St. E.	DE	-18	+26	Approval	1	Exempt	Approval
365-7 Wellesley St. E.	RR	---	---	Exempt		Confirm	Exempt
16 Foxbar Rd.	RR		-5	Refusal		Pending	Pending
346 Spadina Rd.	RR	-7	+2	Approval	3	Confirm	Approval
78-88 Carlaw Ave.	SE		-6	Refusal		Confirm	Appealed
399 Dupont St.	RR	-30	+9	Approval	2,3	Pending	Pending
60 Borden St.	RR	-23	---	Prosecute		Confirm	
632, 644 Wellington St. W.	SE		-12	Approval	3	Pending	Pending
York							
400 Walmer Rd.	CD		-547	Approval	3	Confirm	Cabinet Appeal
North York							
70 Old Sheppard Ave.	CD		-20	Indefinite	3	Refused	OMB Appeal
8 Kingsbridge Court	CD		-18	Approval	3	Confirm	Approval
Jane - Heathrow	SE	---	---	Approval	3	Confirm	Approval
Etobicoke							
12-16 Humber Blvd.	DE		-31	Approval	3	Confirm	Cabinet Appeal
10 Garfella Dr.	CD		-148	Pending	-	---	Pending

Table B-1 - Part 2

		Change in		Planner		Council	
	Type	Rooms	Apts.	Recommendation	Criteria	Decision	Status
Ottawa							
811 Somerset St.	CU		-1	Approval	2	Confirm	Approval
957-969 River Rd.	DE		-18	Approval	1	Confirm	Approval
504 Albert St.	DE		-6	Approval	2	Confirm	Approval
239 Nepean St.	RR	-7	+3	Refusal	3	Confirm	Refused
237-39 Laurier Ave. E.	RR	-10	+6	Refusal	3	Confirm	OMB Approval
50-54 Russell	RR		+5				
85-87 Charlotte	RR		+1				
216 Rideau Terrace	RR		-6	Refusal	3	Confirm	Refusal
25 Aylmer Ave.	SE		0				
312, 318-22 Cooper St.	SE		0	Approval	3	Confirm	Approval
88-90 Glebe Ave.	SE		0				
503-7 King Edward Ave.	CD		-9	Approval	3	Confirm	Withdrawn
433 Besserer St.	CD		-30				Withdrawn
353 Waverly St.	CU		-2				
302-4 Cumberland	CU		-1				
371 Churchill	CU		-1				
33-39 Clarence St.	CU		-2	Approval	3	Confirm	Approval
189 Laurier Ave.	RR		-4	Approval	3	Confirm	Approval
189 Laurier Ave.	CU			Refusal	3	Approval	Approval
425 Somerset St. W.	CU		-3	Refusal	3	Confirm	Refusal
138, 150 Bayview Rd.	DE		-5	Approval	1	Confirm	Approval
371 Waverly St.	DE		-3				
157-163 Clarence St.	DE						Withdrawn
555-561 Laurier Ave. W.	DE		-13	Refusal	3	Confirm	Refusal
248-56 Rideau Pl.	DE		-5				Withdrawn
204-14 Lyon St.	DE		-18	Approval	2	Confirm	Approval
339-343 Gloucester	DE		-10				
318 Laurier Ave. W.	DE		-25				
264 Lisgar St.	DE		-10	Approval	2	Confirm	Approval
76 Park Ave.	DE		-5	Approval	2	Confirm	Approval
216-218 Lyon St.	DE						
521 Lyon St. N.	RR	-8	+4				Withdrawn
503-7 King Edward	RR		0	Approval	2	Confirm	Approval
324, 26 Nepean St.	RR	+4	-1	Approval	3	Confirm	Approval
605 McLaren St.	RR	-6	+4				Withdrawn
425 Somerset St. W.	RR			Approval	3	Confirm	Approval
425 Somerset St. W.	CU		-3	Refusal		Confirm	Refusal
428-30 Queen Mary	RR		+1	Approval	3	Confirm	Approval
255-57 Daly	SE			Approval		Confirm	Approval
421-425 Somerset St.	SE		0				
402 O'Connor St.	SE		0				

Table B-1 - Part 3

	Type	Change in Rooms	Change in Apts.	Planner Recommendation	Criteria	Council Decision	Status
Ottawa (cont'd)							
224 Westhaven Cres.	SE		-9	Refusal	3	Approval	Approval
246-252 Fifth Ave.	SE			Approval	3	Confirm	Approval
62, 6242 Laurel	SE		0				
2959 Richmond Rd.	CU		-2				
261 Cooper St.	CU		-2				
515-517 Bronson Ave.	DE		-4				
338-344 Somerset W.	RR	+14					
389 Cooper St.	RR	+14					
302 Wilbrod St.	RR		+2				
161-163 Gilmour St.	RR		0				
550 Queen Elizabeth	RR		-1				Withdrawn
135 Concord St.	RR						
169 Clarence	RR						
520 Cambridge	SE		0	Approval		Confirm	Approval
515-527 Bronson Ave.	SE		0				
261 Cooper St.							
807-09 Somerset St. W.							
1-11 Bertrand St.							
Hamilton							
210, 212-216 Bay St. N.	CD	--	-6	Approval	3	Confirm	Approval
89-91 Wentworth St. S.	DE	--	-24	Refusal	3		Withdrawn
458-468 King St. E.	RR	--	(+3)	Refusal		Building Vacant	Not Subject
252, 262, 268 James St. S.	CU		-39	Refusal	3	Building Vacant	Not Subject
1544 King St. E.	RR		+4	Not Subject		Confirm	Withdrawn
118 Wentworth St. S.	RR		-5	Refusal	3	Approval	Approval
203-209 1/2 Victoria	SE		(8)	Approval	3	Confirm	Approval
174 Main St. W.	DE		-30	Refusal	3	Approval	Approval
126-28 Robert St.	SE		-2	Refusal	3	Approval	Approval
62 Sheaffe St.	SE		-1	Approval	3	Confirm	Approval
61 East Ave. S.	RR						Pending

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1. Type: CD: Condominium Conversion
CU: Conversion of Use
DE: Demolition
RR: Renovation and Repair
SE: Severance

2. Subsequently declared exempt.

I. SEVERANCES

A. Toronto

1. 9-11 Temple Avenue
Units: 9
Rent: $400 - $550 per month
Owner:
Recommendation: Property exempt from the RHPA, 1986, for consent to sever under regulation 434/86 as amended by regulation 116/87, Section 7(a).
Rationale: (See above)
Conditions: Not applicable.
Approval: Application withdrawn.

2. 27, 29 Homewood Ave.
Units: 5 at 29, 7 at 27
Rent: Not applicable
Owner:
Recommendation: March 5, 1987, approval.
Rationale: Both severed buildings will remain subject to RHPA.
Conditions: Both severed buildings remain subject to RHPA.
Approval: Jan. 12, 1987; with request to province that RHPA provisions regarding severances need not be applied to severed buildings where each remains subject to RHPA.

3. 78-88 Carlaw Ave.
Units: 6
Rent: $345 - $500
Owner: Not applicable
Recommendation: Refusal
Rationale: Application does not meet any of three mandatory RHPA criteria; would reduce supply of affordable rental housing.
Conditions: Not applicable
Approval: Jan. 25, 1988, concurrence.

4. 632, 644 Wellington St. W. and 50, 52, 54 Tecumseth St.
Units: 12
Rent: $346 - $628
Owner:
Recommendation: May 25, 1988, approval.
Rationale: Meets mandatory criteria #3, as new non-profit co-operative housing project will result in increased number of affordable housing units.
Conditions: Incumbent tenants to remain in possession of severed units for up to 5 years or occupancy date of project; rents not to increase by more than guidelines during this period; tenants to be offered occupancy of new units.
Approval: Scheduled for July 11, 1988.

B. North York

1. Jane - Heathrow
   Units: (60)
   Rent: One bedroom, $432; Two bedroom, $462

C. Ottawa

1. 312, 318-22 Cooper St.
   Units: 59
   Rent: $316 - $408
   Owner:
   Recommendation: Feb. 23, 1987, approval.
   Rationale: Each of subject properties will remain covered by RHPA.
   Conditions: Not relevant to RHPA.
   Approval: Feb. 18, 1987, concurrence.

2. 204-206, 212-224 Westhaven Dr.
   Units: 9
   Rent: $400 - $437
   Owner: 595795 Ontario Ltd.
   Recommendation: Nov. 12, 1987, refusal.
   Rationale: Does not meet criteria.
   Conditions:
   Approval: Dec. 2, 1987, application nevertheless approved.

3. 255-257 Daly Ave.
   Units: 33
   Rent:
   Owner: Jack Patenaude
   Recommendation: Feb. 5, 1987, approval.
   Rationale: Each severed property still covered by RHPA.
   Conditions:
   Approval: March 4, 1987, concurred.

4. 246-252 Fifth Ave.
   Units: 6
   Rent: $1,033 - $1,300
   Owner: Leone Eramo
   Recommendation: Dec. 7, 1987, approval.
   Rationale: Criteria #3; rent levels will be above average.
   Conditions: Not applicable.
   Approval: Dec. 14, 1987. Concurred.

5. 520 Cambridge St.
Units: 5
Rent:
Owner: Geo-Pan Construction Ltd.
Recommendation: May 25, 1988, approval.
Rationale: 5-unit building still covered under RHPA.
Conditions:
Approval: June 6, 1988. Concurred.

D. Hamilton

1. 203-209 1/2 Wentworth St. S.
Units: 8
Rent: Not available.
Owner: Shelley R. Ramwarrack
Recommendation: Approval
Rationale: Criteria #3 and hardship
Conditions: None
Approval: Confirmed
Special: Applicant claimed hardship; required severance to obtain mortgage; obtaining condition that building not be sold discussed, but not eventually required.

2. 126-28 Robert St.

Units: 6 (-2)
Rent: $285
Owner:
Recommendation: Refusal
Rationale: Criteria #3; near properties exempt from RHPA.
Conditions: None
Approval: Sept. 1, 1987, approval without conditions.

3. 62 Sheaffe St.
Units: 6 (-1)
Rent: $400
Owner:
Recommendation: Sept. 22, 1987, approval.
Rationale: Criteria #3; only one unit removed from stock.
Conditions: None
Approval: Oct. 13, 1987, Confirmed.

II. DEMOLITION

A. Toronto

1. 111, 117, 121, 123 Springhurst Ave.
Units: 25
Rent: Not applicable.
Owner: City Home
Recommendation: November 27, 1986, approval subject to conditions.
Rationale: City Home project will provide 124 new units. One of conditions is that current tenants have right of first refusal for new units.
Conditions: City Home assists in relocation of tenants; tenants receive right of first refusal in renting new units. That tenants are not evicted. (Tenants offered relocation assistance.)
Approval: February 17, 1987, with deletion of conditions. Council satisfied that efforts being made to relocate tenants.
Special: RHPA does not apply to City Home.

2. 393 King St. E.
Units: 18 rooms
Rent: $217 per month
Owner:
Recommendation: Sept. 2, 1987, approval.
Rationale: Satisfied criteria #1; building unfit and unsafe for human habitation.
Conditions: None
Approval: Oct. 5, 1987. Exempt by reason of building vacant.

3. 1304-1318 King St. W.
Units: 9
Rent: $250 - $550
Owner:
Recommendation: Approval
Rationale: Proposed redevelopment would increase the supply of non-profit housing and provide same number of units in similar rent range.
Conditions: None
Approval: Application withdrawn; units vacant.

4. 1924-30, 1944 Yonge St.
Units: 101
Rent: $373 - $580
Owner:
Recommendation: March 9, 1988
Rationale: Satisfies criteria #3 of RHPA.
Conditions: Landlord contract out of RRRA for 7 1/2 years and province bring in new regulation making contracting out legally enforceable. Units to be leased to City of Toronto with landlord retaining all other rights. Parking rents not to exceed average in area. Relocate tenants in any one of 12 buildings specified.
Approval: May 16, 1988. Consent withheld until appropriate new regulations in RRRA.

B. Ottawa

1. 957-969 River Road
Units: 18
Rent:
Owner:
Recommendation: Nov. 12, 1986, approval.
Rationale: Criteria #1; Buildings vacant as well.
Conditions: None
Approval: Dec. 22, 1986, concurred.

2. 138, 150 Bayview Rd.
Units: 5
Rent: (Vacant)
Owner:
Recommendation: April 16, 1987, approval.
Rationale: Criteria #1.
Conditions: Not applicable.
Approval: May 6, 1987, concurred.

3. 504 Albert St.
Units: 6
Rent: $575 - $618
Owner:
Recommendation: March 12, 1987, approval.
Rationale: Criteria #2. Applicant agrees to provide accommodation for six households at similar rents in new 120-unit complex.
Conditions: Applicant provides replacement housing.
Approval: April 1, 1987, concurrence.

4. 555-561 Laurier Ave. W.
Units: 13
Rent: $345 - $359
Owner: Regional Municipality of Ottawa-Carleton
Recommendation: Oct. 22, 1987, refusal.
Rationale: Application does not meet mandatory criteria.
Conditions: Notify applicant that approval would be forthcoming if replacement units with similar rents were provided.
Approval: Nov. 2, 1987, concurrence.

5. 204-214 Lyon St.
Units: 18
Rent: $385 - $550
Owner: R., K., R. Chavali
Recommendation: June 16, 1988, approval.
Rationale: Criteria #2
Conditions: Provision of replacement housing and offering it to tenants at 204-14 Lyon St. RRRA guideline increases for 5 years.
Approval: Deferred to July 25, 1988.

6. 76 Park Ave.
Units: 5; 15 proposed.
Rent: $383 - $520
Owner: G. Colaiacovo
Recommendation: Feb. 11, 1988, approval.
Rationale: Criteria #2
Conditions: Applicant provides 5 replacement units at comparable rents, offers them to existing tenants and agrees to RRRA guidelines for 5 years.
Approval:

7. 264 Lisgar
Units: 10
Rent: $300 - $675
Owner: Kais Investment Trust
Recommendation: March 4, 1988, approval.
Rationale: Criteria #2
Conditions: Applicant to provide 10 rental units in 52 unit proposed condo; existing tenants to have right of first refusal; rents at existing levels and to increase by RRRA guidelines for 5 years.
Approval: March 14, 1988, concurrence.

C. Hamilton

1. 89-91 Wentworth St. S.
   Units: 24
   Rent: Bachelor, $180; One bedroom, $300; Two bedroom, $400.
   Owner:
   Recommendation: Refusal
   Rationale: Criteria #3
   Conditions: Make replacement of units at current rents conditional if application approved.
   Approval: Withdrawn

2. 174 Main St. W.
   Units: 30 (9 bachelor; 21 one-bedroom)
   Rent: $212 - $299
   Owner:
   Recommendation: Refusal
   Rationale: Criteria #3; rents below average for city.
   Conditions:
   Approval: Approved following landlord's promise to stay demolition up to one year, assist tenants to find replacement housing and provide last month's rent free.
   Special:

D. Etobicoke

1. 12-16 Humber Blvd.
   Units: 31
   Rent: $371 - $936
   Owner: Herbertz Haeuser Ltd.
   Recommendation: Approval
   Rationale: Criterion #3; tenants from the 31 units can be absorbed into the community.
   Conditions: None
   Approval: Concurred. Appealed by tenants to OMB; OMB concurred with Etobicoke Council. Petitioned to Cabinet by tenants.
   Special: Proposal initiated prior to July 10, 1986, although applicant neglected to apply for demolition permit under RHPA when heard in 1987, and Etobicoke Council neglected to consider application under RHPA; considered planning merits.

III. RENOVATIONS AND REPAIRS

A. Toronto

1. 1494-6 King St. W.
   Units: 18
   Rent: $220 per room
   Owner:
   Recommendation: Oct. 3, 8, 1986, exempt from RHPA.
   Rationale: Property vacant before July 10, 1986. Building unfit for human habitation as of Sept. 23, 1985.
   Conditions: None
   Approval: Withdrawn, Dec. 11, 1986. Building vacant.

2. 141 Admiral Rd.
   Units: 14 rooms (4 tenants remaining as of Aug. 16, 1986)
   Rent: $300 - $520
   Owner:
   Recommendation: Approval
   Rationale: New owners signed agreement to purchase prior to Aug. 16, 1986, when regulation 436/86, RHPA, was published.
   Conditions: None
   Approval: January 26, 1987, concurred.

3. 182 Walmer Rd.
   Units: 10 (to become 4 two-bedroom apartments)
   Rent: $60 - $70 per week ($260 - $300)
   Owner:
   Recommendation: Exempt from RHPA
   Rationale: Approval granted prior to publication of Act. Building vacant.
   Conditions: None
   Approval: Oct. 24, 1986. Application withdrawn.

4. 12 Lansdowne
   Units: 37 (to become 22)
   Rent: $219 - $390
   Owner:
   Recommendation: Approval subject to conditions.
   Rationale: Building unsafe and unfit for human habitation. Architect indicated that it did not meet Ontario Building Code requirements. Property has a history of non-compliance with Housing Standards By-law.
   Conditions: Applicant submit plan for relocation of tenants in similar units with similar rents (not more than 10 per cent above existing rents).
   Approval: Oct. 22, 1987, subject to conditions.
   Special: Conditions not yet met; RHPA certificate therefore not issued; renovation proceeding without permit (Elinor Mahoney, PCLS).

5. 946-50 Gerrard St. and 339-345 Pape Ave.
Units: 21
Rent: Not applicable.
Owner:
Recommendation: October 21, 1986; exempt from RHPA.
Rationale: Vacant for over one year.
Conditions:
Approval: Dec. 1, 1986; exempt.
Special: Ms. Susan Taylor of the Ministry of Housing might still decide that properties vacant for less than one year could be exempted by meeting one of several criteria: 1) City Council approval of zoning changes prior to July 10, 1986; 2) Committee of Adjustment had already granted zoning vacancies; 3) any offer to purchase a property had been signed. Property had been vacant since May 15, 1986.

6. 365, 367 Wellesley St. E.
Units: 13 bedrooms
Rent: Not applicable.
Owner:
Recommendation: May 12, 1988, RHPA does not apply.
Rationale: Building leased to Church of Scientology for its use for church purposes only and there is no historical record of rents being charged.
Conditions:
Approval: Application withdrawn.

7. 780 Eglinton Ave. W.
Units: 88
Rent: $388 - $1,004
Owner:
Recommendation: May 12, 1988
Rationale:
Conditions:
Approval:

8. 618, 620, 620A Bloor St. W.
Withdrawn

9. 16 Foxbar Rd.
Units: 9 (Convert to 4)
Rent: :$475 - $789
Owner:
Recommendation: Oct. 14, 1987, refusal.
Rationale: None of three mandatory criteria met.
Conditions: None
Approval: Pending

10. 346 Spadina Ave.
Units: 11 rooms
Rent: Second floor: $1,556; Third floor: $1,024
Owner: Leslie B. Huntley
Recommendation: Sept. 29, 1987, approval.
Rationale: Meets mandatory criteria #3; does not adversely affect supply of affordable rental housing; rent per metre not exceed previous rents by more than 10 per cent.
Conditions: Replacement of seven rooms in area at similar rents.
Approval: Nov. 16, 1987; referred back to Neighbourhoods Committee after communication received from owner indicating that number of tenants had not changed, although lodgers had been replaced by families, and total rent revenues actually reduced.
Special: Owner claims renovation necessitated by 400 per cent increase in insurance costs.

11. 399 Dupont St.
Units: 30 rooms; 28 roomers in seven four-bedroom apartments; two bachelors.
Rent: $302 - $551
Owner: Not applicable
Recommendation: April 6, 1988, approval.
Rationale: Satisfies criteria #2 and #3 of RHPA; rent per square metre not higher than currently.
Conditions: Applicant submits detailed plan to rehouse existing tenants in similar units at similar rents; owner agrees to enter into agreement with City re rents and limit future rent increase to five per cent.
Approval: Pending
Special: Roomers replaced by families.

12. 60 Borden St.
Units: 23 rooms
Rent: $346
Owner:
Recommendation: Not an application; prosecution for non-compliance with RHPA.

B. Ottawa

1. 239 Nepean St.
Units: 7 rooms to be replaced by 3 apartments.
Rent: $112 - $425
Owner: Dante De Angelis
Recommendation: Dec. 12, 1986, refusal, but allow minimum repairs.
Rationale: Application would adversely affect supply of rental hosing. Approval under criteria #1.
Conditions: Not applicable
Approval: Dec. 22, 1986, concurrence.

2. 237-39 Laurier Ave. E.
   Units: 10 rooms to be replaced by 6 apartments.
   Rent: $110
   Owner: Fernando Martins
   Recommendation: Dec. 12, 1986, rejection.
   Rationale: Approval would adversely affect supply of affordable rental housing.
   Conditions: Not applicable.
   Approval: Dec. 22, 1986, concurred.
   Special: Reversed by OMB.

3. 216 Rideau Terrace
   Units: 6
   Rent: $520 ($690 proposed)
   Owner: Roxborough Park Ltd.
   Recommendation: Feb. 6, 1987, refusal.
   Rationale: Does not meet mandatory criteria.
   Conditions:
   Approval: March 4, 1987, concurrence.

4. 324-326 Nepean St.
   Units: 18 rooms; 1 apartment with 22 rooms proposed.
   Rent: $200 - $270; $275 proposed.
   Owner: Gerry Rayner.
   Recommendation: May 12, 1987, approval.
   Rationale: Meets criteria #3; no existing tenants to be displaced and additional rooms to replace apartment.
   Conditions:
   Approval: June 3, 1987, concurrence.

5. 189 Laurier Ave. E.
   Units: 12, 8 proposed.
   Rent: $263 - $432
   Owner: Andrew Holding Ltd.
   Recommendation: Jan. 25, 1988, approval of R&R; refusal of CU.
   Rationale: Owner willing to accommodate tenants.
   Conditions: None.
   Approval: Feb. 3, 1988, approval of both R&R and CU, contrary to planner's recommendation.

6. 428-430 Queen Mary
   Units: 2 (part of larger complex); 3 proposed.
   Rent:
   Owner: R. Vlamis
   Recommendation: Feb. 11, 1988, approval.
   Rationale: Criteria #3. New units will be affordable.
   Conditions:
   Approval: March 2, 1988, concurrence.

C. Hamilton

1. 458-468 King St. E.
Units: 13
Rent: Not applicable
Owner: 644975 Ontario Ltd.
Recommendation: October 6, 1986, approval.
Rationale: Criteria #2
Conditions: Provision of similar rental units in area.
Approval: Determined to be not subject to Act--vacant building.
Special: Ministry advised that approval of Council required because building vacant for less than a year. Hamilton City Solicitor disagreed and said that his interpretation was any period of vacancy. Council followed their solicitor's advice.

2. 1544 King St. E.
Units: 18 (22 after)
Rent: $240 - $290. Proposed: $300 - $350.
Owner: Milos Zbyutro
Recommendation: Not subject as applicant has also applied under low-rise rehab program.
Rationale: Exclusion specified in Act.
Conditions: Not applicable
Approval: Confirmed

3. 118 Wentworth St. S.
Units: 5 (Propose 20-24 second level care spaces)
Rent: $320 - $375
Owner: Anna Zimmerman
Recommendation: April 8, 1987, refusal
Rationale: Criteria #3
Conditions: If approved, to be specified.
Approval: Council endorsed approval; care units needed.

IV. CONVERSION OF USE

A. Ottawa

1. 811 Somerset St. West
Units: 24; 1 to be converted to commercial use.
Rent: $400 - $600
Owner:
Recommendation: Jan. 28, 1987, approval.
Rationale: Criteria #2; displaced tenant offered vacant unit in complex.
Conditions: None
Approval: Feb. 18, 1987

2. 33-39 Clarence
Units: 6; 4 proposed.
Rent: Vacant
Owner: H. Carter, D. Givogne, E. Blais
Recommendation: Nov. 6, 1987, approval.
Rationale: Criteria #3; units vacant at time of application.
Conditions: Not applicable.
Approval: Dec. 2, 1987, concurrence.

3. 425 Somerset St.
Units: 7; 4 proposed.
Rent: $189 - $310
Owner: Karl Marszowski
Recommendation: Jan. 22, 1988, approval of R&R for second floor; refusal of CU for ground floor.
Rationale:
Conditions: Tenants not evicted.
Approval: Feb. 3, 1988, concurrence.

B. Hamilton

1. 252, 262, 268 James St. S.
Units: 41 (2 after)
Rent: Not applicable
Owner: Sam Henson Apartments Ltd.
Recommendation: Not subject as owner has vacant possession.
Rationale:
Conditions: Not applicable
Approval: Confirmation

V. CONDOMINIUM CONVERSION

A. Toronto

1. 78 Crescent Rd.
Units: 4
Rent: 1 vacant; 1 owner-occupied; 1 @ $800; 1 @$1,000
Owner: 668144 Ontario Inc.
Recommendation: October 29, 1986, approval.
Rationale: Originally a single dwelling house. While covered by RHPA, Council not required to use Act's mandatory approval criteria.
Conditions: Planning and sewer impost.
Approval: Dec. 1, 1986
Special: Variances approved on June 11, 1986.

2. 482-6 Ontario St.
   Units: 3
   Rent: Not applicable
   Owner:
   Recommendation: Application initiated at metropolitan level prior to RHPA. Approval subject to conditions.
   Rationale: Conditions; buildings smaller than 5 units subject to RHPA, but not to criteria. Building rents make building exempt from city condominium controls.
   Conditions: Include enforceable plan to relocate or to guarantee security of tenure for any (2) tenants.
   Approval: March 23, 1987.

3. 1 Benvenuto Place
   Units: 122
   Rent: (1988) Bachelor: $423 - 529; One Bedroom: $615 - 1,336; Two bedroom: $920 - $1,795; Three bedroom: $1,256 - $2,721; Four bedroom: $2,910 - $3,307; One bedroom and study: $1,185 - $1,300.
   Owner:
   Recommendation: June 16, 1986, approval.
   Rationale: Rents on 89 units exceeded $750 ceiling which made building a luxury rental eligible for approval as a condominium conversion. Minister has not yet defined affordable. Report applies rents paid by quartiles of CMA tenants.
   Conditions: None
   Approval: Rejected by neighbourhoods committee. Applicant offered only 7 years security of tenure. Appealed to OMB.

4. 333-335 Walmer Rd.
   Units: 4
   Rent: $1,000 for one unit; 3 owner-occupied.
   Owner:
   Recommendation: Approval with no conditions.
   Rationale: Conversion subject to RHPA but not to criteria; property qualifies for conversion in that it's two converted buildings; units effectively withdrawn from rental market in 1977 when converted to co-tenancy.
   Conditions: None
   Approval: July 18, 1987

5. 170 Roxborough St. E.
Units: 3 plus coach house.
Rent: Not applicable
Owner: Bexley Agencies Ltd.
Recommendation: Approval
Rationale: Property under 5 units and eligible for conversion as a converted dwelling house.
Conditions: None
Approval: May 2, 1988
Special: Draft plan of condominium first approved in April 1984 and lapsed in April 1987. All units now occupied by intended purchasers.

B. York

1. 400 Walmer Rd.
Units: 547
Rent: $300 - $1,300
Owner:
Recommendation: Approval
Rationale: Rents above affordable range; no adverse affect on affordable housing.
Conditions:
Approval: Concurred.
Special: Reversed by OMB. Appealed by petition to Cabinet. Building recently sold to new owners who may not continue to be interested in conversion.

C. North York

1. 70 Old Sheppard Ave.
Units: 20 rental; remaining 30 lived in by co-op owners
Rent: $485 - $700
Owner:
Recommendation: Indefinite; Commissioner of Planning informed Council that they would have to decide if criteria #3 could be satisfied.
Rationale: Criteria #3 is most relevant.
Conditions: Tenants receive 5-year leases; tenant option to purchase for 12 months.
Approval: Refused Nov. 30, 1987. Appealed by owner(s) to OMB.

2. Kingsbridge Court
Units: 17 rental; remaining 43 lived in by co-owners.
Rent: $527 - $850
Owner:
Recommendation: Approval, April 27, 1988
Rationale: Criteria #3 is met in that tenants will have security of tenure and they have consented to approval.

Conditions: 74 two-year leases; protection under RRRA; six months option to purchase at prices submitted to Council.
Approval: May 16, 1988, concurred.

D. **Ottawa**

1. 503-507 King Edward St.
   Units: 9
   Rent: $290 - $557
   Owner: City of Ottawa
   Recommendation: Sept. 4, 1987, approval.
   Rationale: Criteria #2
   Conditions: 9 units of comparable rent to be made available in completed project or in area.
   Approval: Sept. 16, 1987, concurred.
   Special: Withdrawn after conditions proved to be unsuitable to tenants.

E. **Hamilton**

1. 210, 212-216 Bay Street South
   Units: 6
   Rent: One bedroom: $700 - $750; Two bedroom: $850 - $1,000
   Owner:
   Recommendation: Nov. 5, 1986, approval.
   Rationale: Criteria #3. No major impact on surrounding rental housing stock. According to applicant, three to four tenants had expressed interest in purchasing. Approval would also assist preservation of historically designated buildings.
   Conditions: None
   Approval: Confirmation